



MARKETING PRACTICES OF AFRICAN AND CARIBBEAN SMALL BUSINESSES IN LONDON, UK¹

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Abstract: This chapter presents an assessment of the marketing practices among African and Caribbean small businesses in London. The findings reveal the patchy application of an adapted market orientation framework; they also indicate that ‘informal’ marketing deliberation are taking place and are consistent with Stokes’ and Blackburn’s assertion that marketing in the small business sector seems to be an informal and unplanned activity that relies on the intuition and energy of the owner-manager. The study was undertaken in response to calls for marketing-related research in this sector and the results provide valuable insights into the UK’s intercultural dynamics. The study reveals considerable degree of evenness between the ease or difficulty of securing bank loans. The chapter concludes by drawing attention to managerial implications and future research directions.

Keywords: marketing; small firms; qualitative techniques; UK.

INTRODUCTION

In recent years, the subject of market orientation has received a great deal of attention from marketing scholars who have developed, tested and refined market orientation scales for measuring the degree of market orientation that organisations exhibit (see Kohli and Jaworski, 1990; Narver and Slater, 1990; Hart and Diamantopoulos, 1993;

Hooley et al., 1998). The term market orientation is preferred to marketing orientation because the former expression highlights an entire organisation-wide application whereas the latter phrase tends to describe activities that are specific to the marketing department. Market orientation stems from the marketing concept. The marketing concept states that the key to organisational success is through the determination of the needs of its target markets. This must be effected more efficiently and effectively than

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competitors. While the combination of changing market conditions has increased interest in the subject, it is surprising to realise that, despite the fact that in the UK, some 95% of firms are considered to be small business (*Marketing Business*, 1998), there is little research on market orientation within the small business sector in the UK (Harris, 1998; McLarty, 1998). Supporting this assertion, McLarty (1998) stated that:

... there is scant empirical evidence however on the part that marketing plays in SME research ...

On the other hand, over the years, there has been increased related work published on diverse topics such as: "the role of the small firm in the UK economy", "the future of the small firm in the UK economy" (see Curran et al., 1993; Blackburn, 1996; Curran, 1996; Jarvis, 1996), and more recently, issues about "enterprise and small business" (see Carter and Jones-Evans, 2000).

LITERATURE REVIEW

There is a general agreement in the literature that a market oriented firm is one in which all employees are committed to the continuous creation of superior value for the customer (Narver and Slater, 1990; Kohli and Jaworski, 1990; Deshpande et al., 1993; Day, 1994; Narver et al., 1998). In general, researchers agree that a market orientation encompasses three key behavioural components (i.e., 'customer orientation', 'competitor orientation', and 'interfunctional co-ordination') (Narver and Slater, 1990, cited in Narver et al., 1998; Kohli and Jaworski, 1990).

While to date, researchers have found congruence between market orientation and the performance of the business (see, among

others, Narver and Slater, 1990; Jaworski and Kohli, 1993; Deshpande et al., 1993), what is not clear is whether the market orientation concept is appreciated by the small business owner. The latter assertion is not surprising, in that as Stokes and Blackburn (1999) contend, while traditional marketing is conceived of as a deliberate planned process which proceeds from a careful identification of market needs by formal research, through purposeful development of new offerings to the market place, the small business deliberation involves informal, unplanned activity that relies on the intuition and energy of an individual (i.e., the owner-manager) to make things happen (see also Henk, 1999). According to the authors, it comes as little surprise to realise that small business owners have a problem with marketing and appear to give marketing low priority compared to the other functions of their business, often regarding marketing as "something that larger firms do" (Stokes and Blackburn, 1999).

Moreover, in support of the above, Harris (1998) contends that in reality, the dimensions of market orientation may not be applicable in the small business sector. According to Harris (1998), several key factors impinge on the ability of small hotels in focusing on market trends and needs, i.e., market orientation.

These include:

- an unclear view of the customer
- contentment with the status quo
- ignorance of market orientation
- lack of competitive differentiation
- limited resources
- perceived inappropriateness
- short-termism.

The latter has, since 1993, been echoed by Carson (1993, cited in Carter and Tzokas, 1999) who claims that small firms embark upon marketing in such a general and inappropriate way that it does not appear to have any significant impact on performance and as a consequence is not perceived to be useful.

Nevertheless, while the foregoing may hold true for some small businesses, following observations in the small business sector in the London area, coupled with discussions with academic experts (i.e., small business marketing academic researchers) and practitioners, it can be asserted that in view of the ongoing government concern and support for the small business sector (see, for example, Cowe, 1998; Curran and Blackburn, 1999; Oldfield, 1999) further research is needed to identify the appreciation of marketing and its practices within the small business sector. In addition, despite the fact that there is considerable evidence that marketing is crucial to the survival and development of small firms, and a key entrepreneurial skill (Stokes and Blackburn, 1999; Stokes, 2000), as has already been alluded to, given that market orientation concept was developed largely from studies of large organisations, it is timely to examine the appropriateness of the concept to small businesses.

Since the late 1970s, the UK and several other advanced and developing economies have adopted policies highlighting the central role of the entrepreneurial small firm in furthering economic prosperity (Harrison, 1994, cited in Curran and Blackburn, 1999). Although the emphasis on the small business as an engine of economic regeneration originated on the political right (Goss, 1991; Harrison, 1994, quoted in Curran and Blackburn, 1999), it has now been adopted virtually by all political parties. As

Curran and Blackburn (1999) put it, in the UK, the change of government in 1997 illustrated clearly just how much the belief in the importance of the small business to promote economic prosperity, has come to be shared.

According to Mukhtar (1998), there is no single official definition for a small firm. In fact, according to the author, in practice, a wide range of definitions is used. The European Union's Directeur General (DG XXIII) for instance defines businesses as follows:

- micro: 0-9 employees
- small: 10-99 employees
- medium: 100-499 employees
- large: 500+ employees.

The Wiltshire committee's definition of small business is often used by researchers and states that:

... it is a business in which one or two persons are required to make all the critical management decisions such as finance, accounting, personnel, purchasing, processing or servicing, marketing, selling, without the aid of internal specialists and with specific knowledge in only one or two functional areas ... (Berryman, 1983)

In the UK, the small business sector has been accepted as an important contributor to the nation's overall wealth and a major source of jobs (Command Paper, 1994, cited in McLarty, 1998). Daly and McCann (1992, quoted in Curran and Blackburn, 1993) claim that there were an estimated three million small businesses in the UK in 1989. In Australia, for example, small businesses employ more than 60% of the workforce in the private sector - an equivalent of 44.4% of the nation's employed persons

(Berryman, 1983). Despite the impact of the small business on nations' economies, the small business venture remain risky (see McLarty, 1998). In view of the foregoing, given the increasingly competitive thrust of the marketplace, small businesses are likely to face greater threats for survival. Consequently, it can be inferred that there is the need to increase assessment of marketing practices of small businesses, and more importantly, ethnic minority (i.e., African and Caribbean) businesses in view of the scant research activities in the area. Having discussed the theoretical perspectives of this study, we now turn to issues on African and Caribbean small businesses in London.

AFRICAN AND CARIBBEAN SMALL BUSINESSES IN LONDON

In the UK, despite the interest given to ethnic minority small businesses by academics (see Curran and Burrows, 1988; Jones, 1993), practitioners (see Sills and Desai, 1996) and the media (see, for example, Jones, 1996; *The Guardian*, 1999; Atherton, 1999; Williams, 2000), so far, research on the patterns and practices of marketing of African and Caribbean businesses has been overlooked by researchers. This is surprising in view of the fact that the UK has the largest population of people of African origin in Europe with an estimated annual spending power of £10 billion amongst all ethnic minority communities (*Afrikan Business & Culture*, 2000). The exploratory study presented here attempts to redress such omission by serving as a useful background for more rigorous quantitative data collection (see, for instance, Hooley et al., 1998, p.483). More specifically, this study investigates the practices of marketing, and in particular, the appropriateness of an existing market orientation construct (see McLarty, 1998) in different business

environments (see, for example, Rexha et al., 1998), i.e., the African and Caribbean owner-manager small businesses in London, UK. In addition, this research attempts to build on the scant empirical and theoretical evidence available on the African and Caribbean small business sector in the UK. The latter is useful in view of the long-held myth that African and Caribbean minorities in the UK, unlike their south Asian counterparts, are not successful small business entrepreneurs (Kazuka, 1980; Soar, 1991; Ward, 1987; 1991; cited in Ram et al., 1999). It is however worthy to note that the latter assertion can be inferred to be outdated and, in fact, has recently been regarded to be generally bullish and dangerously divisive in a multicultural market environment (Ram et al., 1999; Ram and Barrett, 2000). This is taken up by Fadahunsi et al. (1999) who conclude that in their study, apart from the fact that most African (i.e., Nigerian) small business owners were first generation settlers and may not have access to local role models, they were equally creative and successful business owners like their south Asian counterparts. Moreover, not only is the study of market orientation within the ethnic minority business sector timely, but it has been identified as a research priority area by the Marketing Science Institute (MSI) (1998–2000).

Curran and Blackburn (1993) found that around one in ten small businesses in the UK is owned by members of ethnic minorities. According to *The Guardian* (1999), it is estimated that members of ethnic minority communities own 20% of 241,000 businesses in London and that the growing importance of this sector in the city's economy is being increasingly acknowledged. In addition, Atherton (1999, p.1) predicts that by the year 2011, one in four owners of London's small businesses will be from an ethnic minority group.

Moreover, according to Atherton (1999), the London skills forecasting unit, a body which is backed by London's Training and Enterprise Councils, conducted a survey in London that revealed that, one in five of all privately owned firms in London has a non-white proprietor. The survey further found that, contrary to the myth held about African and Caribbean small business owners (see Ward, 1987; 1991, quoted in Ram et al., 1999; Ram and Barrett, 2000), black women have the highest rate of business ownership of women from any ethnic group, including whites (see also, Munro, 1999, p.20). The study also found that ethnic minority business owners were better at building overseas trade links. Curran and Blackburn (1993) note that ethnic minority small businesses' contribution to the small business sector has played a part in the revival of the small business in the UK. Curran and Blackburn's (1993) assertion is supported by Ram and Barrett (2000) who write that in general, ethnic-minority-owned businesses are now an established and growing feature of the British economy.

In recent years, there has been a gradual recognition for African and Caribbean women's business skills in the UK (The Voice, 1998). The latter is in line with Carter's (2000) writing that overall, the past two decades have seen a profound increase in the number of women entering self-employment and business ownership in the UK. The foregoing is evident in the general appreciation and interest in African and Caribbean businesses and noted in a report commissioned by the Small Business Research Trust (see The Guardian, 1998) and which concluded that, there is the urgent need for better information on the profile of African and Caribbean and other ethnic minorities in business. The report goes on to claim that greater clarity about their marketing patterns and practices is needed.

The lack of research in the African and Caribbean business community has been noted by Curran and Blackburn (1993) who assert that despite media attention, little is known about the growing African and Caribbean business practices (see also, Ram, 1998, cited in Ram and Barrett, 2000), let alone their marketing practices and which may have caused the negative perceptions attributed to their business performance. According to the authors, this omission culminated in the launching in 1985 of the Ethnic Minority Business Initiative (EMBI), a joint private sector – government support initiative. An exception to the latter assertion, however, are some recent related work by researchers examining ethnic minority networking (Fadahunsi et al., 1999) and the ethnic minority restaurant sector (Ram et al., 1999).

RESEARCH AIM AND OBJECTIVES

The aim of this research is to assess practices of marketing within the African and Caribbean small business sector in London, UK. More specifically, the objectives of this chapter are to:

- identify the general practices of marketing within the African and Caribbean small business sector using an adapted market orientation framework
- assess the appropriateness of the market orientation concept in the small business sector.

METHODOLOGY

The pilot study

In order to fine tune the interview questions and to be familiar with the research setting, firstly, a pilot study involving participant

observation, i.e., overt and covert observation (see Stafford and Stafford, 1993; Gill and Johnson, 1997; Omar, 1997), was embarked upon among a number of African and Caribbean small businesses in London. More specifically, the overt observation involved four small businesses in Battersea and Clapham Common (south London). The four businesses included:

1. a restaurant
2. a public house (pub)
3. a barbershop
4. a solicitor's firm.

Second, 15 small businesses were observed using the covert observation technique in Balham and Brixton (south London), East Ham and Hackney (east London) and Seven Sisters - Tottenham (north London). Thirdly, four owner-managers were interviewed using the face-to-face technique in Battersea (south London). The latter interviewees agreed to further interviews and subsequently formed part of the main sample of this research.

The main study

In view of the exploratory nature of this research, it was decided, at this stage, that qualitative research was most appropriate (see also, Fadahunsi et al., 1999; Ram et al., 1999). In-depth face-to-face interviews were identified as a suitable technique for broadening the scope of our research and to raise further issues that would subsequently underpin a quantitative study (see, for instance, Hooley et al., 1998). The questions employed in the face-to-face interviews were open-ended and were adapted from Kohli and Jaworski's (1990) constructs. In line with Goodwin et al.'s (1997) assertions, we believe that whilst virtually all studies of market orientation utilise quantitative

techniques and that although this effectively contributes to our understanding of market orientation, we suggest that a qualitative approach will offer unique advantages, especially for the sparsely researched area of the African and Caribbean small business sector. As was stated by Goodwin et al. (1997), qualitative data offer access to the perspective of the business phenomenon first hand. For example, focus group interviews conducted by Parasuraman et al. (1985) identified managers' and industrial customers' views about services.

THE SAMPLE AND DATA COLLECTION

The population of African and Caribbean small business owner-managers was located across London. A random selection of *The Voice* newspaper, from January to March, 1998, *Ghana Review International* magazine from December 1997 to March 1998, the *Yellow Pages* telephone directory from 1998, *Hackney Mare de Gras 1999 Souvenir Guide* and *Ghanapa directory 1995-1996* (first edition) provided the sample frame from which the population of African and Caribbean small business owner-managers were obtained. *The Voice* newspaper, *Ghana Review International* magazine and *Ghanapa directory* are London-based and are popular and contemporary outlets for advertisements and directory, respectively, for African and Caribbean businesses in the London area. In addition, snowball and foot-in-the-door approaches were employed to increase the number of respondents.

Following refusals to be interviewed by four small business owners, the non-probability convenient sample size involved in this study was 26 (i.e., 20 male and six female) London-based African and Caribbean owner-managers of small businesses. The businesses were made up of ten business/professional

services, six restaurant and public houses and ten retail/stores. Whilst this is a minimum figure, yet representative of the research population, we adhered to Oppenheim's (1992) and Loos' (1995) contention that in qualitative research:

Quality, rather than quantity, should be the essential determinant of numbers.

In addition, our sample is in line with related studies (i.e., Goodwin et al., 1997 (16); Omar, 1997 (12); Hooley et al., 1998 (11 in Hungary, 12 in Poland, 11 in Slovenia); Doherty, 2000 (7)). Appointments for the interviews were arranged in person by the first author, who, prior to this, telephoned the managers to introduce the purpose of the research in order to obtain collaboration.

CONDUCTING THE INTERVIEWS

The interviews were conducted by the first author at the respondents' premises between March and June 1998 and between April and November 1999. This enabled the interviewer to gain further insight into the marketing practices of the businesses. It is important to note that the interviewer originates from Africa and is consistent with Curran and Blackburn's (1993) work. During the interviews, discussions was allowed to develop naturally with the interviewer ensuring that the areas under discussion were covered (see, for example, Yueh-hsiu and Hemmington, 1997; Omar, 1997). Notes were taken supported by audio tape recording. The interviews lasted between 45 min and 1 h.

CONSTRUCT

As has been alluded to, the interview questions were open-ended and were adapted

from Kohli and Jaworski (1990) following refinements after the pilot study. In line with Wright and Kearns' (1998) suggestions for replications of existing marketing frameworks, Kohli and Jaworski's (1990) work was adapted for its popularity and replications in extant literature (Hart and Diamantopoulos, 1993). It is important to note that adaptation of existing market orientation constructs in different environments is not without precedent. Hooley et al. (1998), for example, adapted the Narver and Slater (1990) scales for their research in Central Europe, whilst Rexha et al. (1998) adapted the MARKOR scale in small firms in Western Australia.

VALIDITY CHECKS

In view of the subjective nature of the study, in line with Goodwin et al.'s (1997, p.170) methodology, we assessed the validity firstly, by sending a summary of the findings to two owner-managers for their comments and suggestions. While the managers agreed with our summaries, their suggestions and corrections were incorporated in our final analysis. Secondly, two experts (i.e., academics with expertise in marketing in the UK small business sector) with expertise in small business and qualitative research were given copies of the draft version of this chapter for their comments. Their suggestions were subsequently incorporated in the chapter.

RESEARCH RESULTS

As is typical with exploratory research using means-end chains (Omar, 1997), the data generated were not numerical. Instead the data were in the form of protocols and means-end maps for individual respondents. Patterns of responses and observed similarities across individuals therefore forms the

results of this study (see Goodwin et al., 1997). The interviews (see the Appendix) were analysed using inductive reasoning and followed good practice in the literature (see Durgee, 1986; Kirk and Miller, 1986; Gordon and Langmaid, 1988; Wolcott, 1990; Donmoyer and Yennie-Donmoyer, 1995; Feldman, 1995; Shaw, 1999). As was noted by Crane (1997):

Inductive research methodology is regarded to be an appropriate method for developing insights in a relatively new and under-researched field where little is known about the phenomenon in question and where current perspectives lack empirical substantiation (see also O'Donnell and Cummins, 1999).

The analysis presents responses pertaining to the constructs highlighted by Kohli and Jaworski (1990) to be the bases of market orientation culture in the firm. It is important to mention that at this stage, this study adopts a rather basic approach to the assessment of the authors' constructs (i.e., deals with an account of the existence of the constructs), rather than an examination of the causal links between the antecedents and consequences of the market orientation framework (see Jaworski and Kohli, 1993). It is anticipated that the latter will form the basis of a research using quantitative analysis. In the ensuing section, the results of the research in the form of the constructs employed in the study are presented in turn.

TOP MANAGEMENT

All managers involved in the study claimed to be involved in the day to day management of their businesses. In addition, they all affirmed that they were highly customer focused and adhere to notions such as "the customer is always right" and "the customer

is king" and strive to give customers what they want. A manager of a shipping company simply claimed that they felt they were second to none when it comes to looking after the customer. He claimed to know his customers well and kept them informed whenever there were problems. An interesting way of looking after the customer was how all the owner-managers involved in this study said they treated the customer with respect and they believed that was what kept customers coming back to them.

In terms of business risks such as credit facilities, the majority (i.e., 70%) of the owner-managers appeared to shy away from it. For instance, with regard to bank loans, they claim to take it with prudence. With the exception of four (i.e., 15%) owner-managers interviewed, the rest said that in view of their inability to raise capital from banks, they mostly rely on family and friends for financial support.

INTERDEPARTMENTAL DYNAMICS

Almost all managers (i.e., 90%) interviewed claimed to have good staff relationship built mostly on pragmatic approaches to problem solving. As was noted by a manager of a barbershop:

... we are almost like brothers and sisters and we are sensitive in dealing with each other ... we look after each other ...

More than half (60%) of the owner-managers claim that there is good relationship between staff members and believed that this was the main reason for the low staff turnover.

ORGANISATIONAL SYSTEMS

About half of the managers interviewed undertake monthly staff meetings. As was

stated by a manager of a grocery, import/export firm:

... in terms of meetings, we set it up whenever there is the need

On the other hand, partners (i.e., owners of the business) meet each end of day to iron out problems arising during the day. Only one firm formally meets yearly, at Christmas. The latter is supported by a manager of a second-hand car dealers who said that:

... we do not have meetings on a regular basis but we have one main meeting once a year where rules are emphasised ...

Only one firm (i.e., a barbershop) had in place a set system governing staff duties and activities (e.g., starting work and closing). With regard to rewards, extra rewards for staff members are based on how much money they bring into the business. For all owner-managers interviewed, long term staff members as well as the hard working are rewarded. As was noted by a manager of a shipping company:

... we reward our staff based on how much money they bring in ...

Yet another manager of a barbershop pointed out that they rewarded staff members who attracted business (i.e., kept customers coming back for haircuts) and had good customer behaviour. With regard to reward system, perks such as Christmas gifts, birthday presents and preferential treatment for staff members' families (e.g., half fee for cutting hair at the barbers) are provided.

MARKET ORIENTATION

There is no formal market research (e.g., customer survey, etc.) undertaken by any of

the firms. However according to a barber cum ladies hairdressing salon manager, data collection is undertaken through the observation method. He noted that:

... we go to other barber shops to see how they are doing and then copy some of their good practices ... we also talk to customers from time to time to find out how they like our service ...

For the rest of the managers, customer survey is only carried out on an ad-hoc basis.

Apart from financial constraints, there seems to be complacency on the part of managers about how well they were faring; hence, in our view, the lack of formal market research. All managers were aware of marketing and its importance for their business although they seem to be passive about reading the marketing literature (i.e., books, journals and related magazines). This highlights the lack of effort on the part of the small owner-managers to read published work on practices of marketing and to some extent, supports Harris' (1998) assertion that small business managers were content with the status quo and generally are ignorant about market orientation.

EMPLOYEES

The results of the interview revealed three key issues common with all the owner-managers:

1. *Commitment:* The overall impression gained from the interviews is that commitment from staff members is excellent and is based on communication. This is supported by a manageress of a ladies' hairdressing salon who claimed that "... commitment is very good and this is

based on our practice of careful selection of staff ...”.

2. *Dedication*: Dedication seems to be the natural progression from commitment and apart from one manager, all managers interviewed praised their staff members as being dedicated in their work. The latter is supported by a partner in a solicitors firm who noted that: “... amongst our staff, there is an excellent esprit de corps ...”.
3. *Motivation*: This is considered to be very important by all managers. According to the managers, in view of the motivation of the staff members, this has resulted in very low staff turnover. As was claimed by a manager of a travel agency: “... staff members are well respected ... we all operate on the same level, which breeds motivation ...”.

The three key issues are summarised in comments made by a manager of a shipping company that:

... we have a very dedicated staff and we treat them well our staff members are good at their work and they are aware that if they do a good job, then this will bring more customers and consequently they will be rewarded in pay and in perks ...

A partner in a solicitor’s firm also noted that:

... our staff try to help customers even after closing time ...

ENVIRONMENT

The main issue raised by all managers is competition. There was an overwhelming awareness of the prevailing competition

within the catchment areas in which they operate.

Apart from good provision of service and customer care, managers appreciate the importance of upgrading their systems as a way of circumventing the competition. This is supported by a partner in a solicitor’s firm who put it that:

... we gear ourselves up by keeping abreast with any future changes by upgrading our computers and acquiring the latest legal software and office equipment ...

All managers regarded “looking after the customer” as the mainstay of surviving the competition. The latter is evident in comments made by a manager in a travel agency who said that:

... it’s a highly competitive market but we thrive on our good customer relationship ...

A partner in a firm of solicitors claimed that:

... we know that in the legal profession, people are very important rather than the computers ...

BUSINESS PERFORMANCE

The vast majority of the owner-managers (i.e., 70%) report of improvements in profits from the previous year although there was an indication of a drop in market share within certain sectors such as the barbers, launderettes and restaurants. Interestingly, this was not the case for the ladies’ hair-dressing salons where, according to an owner-manager, since opening for business in less than two years, their customer base has grown from Londoners to residents

from Milton Keynes, Luton, and Bedford. According to the manager, she believes the growing market share stems from word of mouth carried around by her satisfied customers. The latter is in line with comments made by a barber cum ladies hairdressing salon manager that:

... we have a large market share ... we are doing all right but because of competition, we have to make sure that we are not complacent in our dealings with customers ...

All businesses claimed to pursue the mass market (i.e., all social groups within the ethnic minority market) and only one restaurant manager confirmed that they purposely aimed to attract the larger, i.e., white, population.

CONCLUSIONS AND MANAGERIAL IMPLICATIONS

This study has explored, through qualitative research, practices of marketing by ethnic minorities, i.e., African and Caribbean, small businesses in London, UK. While it can be inferred that the market orientation concept is appropriate for the small business sector, this study reveals that not only does the latter appear to be employed informally, but they tend to be largely unplanned and intuitively driven (see Stokes and Blackburn, 1999). In other words, our sample seems to apply 'common sense' business/customer oriented tactics rather than the 'text-book' marketing tactics and strategies (see Carson and Gilmore, 2000). The latter is consistent with a recent article published in the *Detroit News* (Henk, 1999) about the success of B. Lodge & Co. a small retailer that claims "... to accommodate anybody who walks in here ..." and has contained competition from Wal-Mart and Kmart in downtown Albany,

New York. This evidence supports Stokes and Blackburn's (1999) contention about the informality and unplanned approach to marketing exhibited by small businesses.

It is important to mention that although the sample size in this study is limited, the study has a particular relevance to marketing, in that it raises awareness about the scant literature on marketing activities of African and Caribbean small businesses in London (see Ram and Barrett, 2000) and as a consequence, may serve as the prelude to further research activities in this sector. Furthermore, to an extent, this study responds to researchers' concern about the lack of awareness about the business and marketing practices within the African and Caribbean small business sector (see Curran and Blackburn, 1993). The latter is important for potential investors and policy makers who may be interested and/or concerned about the marketing practices in this sector. In addition this study attempts to contribute to marketing theory and practice by furthering our understanding of a sector of the UK's multi-cultural market dynamics (see for instance, Penaloza and Gilly, 1999).

To recapitulate the overall results of the study, we found that a certain level of practice and appreciation of marketing is taking place in the UK African and Caribbean small business sector albeit in the form of informal and unplanned activities. In addition, we found that owner-managers who were well educated (i.e., of university education) were more inclined to be aware of government grants for businesses and also tended to pursue the mass clientele (i.e., attracted both ethnic minorities and the larger population) in order to be competitive. However, the majority (88%) of the businesses we interviewed claimed to operate (i.e., marketed offerings familiar to and solely to the African and Caribbean

community) within their own ethnic minority group. The latter is in line with the locations of their businesses, which exclusively, are located in heavily African and Caribbean populated areas of London. The long experience of running the business and family/friends help were common with the businesses that claimed to be successful. Our study also reveals the difficulties encountered by some (60%) owner-managers in their quest to obtain bank loans. This is evidenced in a restaurant manager's comment that:

"... banks consider us as risky, but we try to prove them wrong ...".

For a few owner-managers interviewed (i.e., 20%), in their bid to circumvent the difficulties they face in securing bank loans, they have resorted to family/friends loans or become prudent in the running of their businesses.

Furthermore, although there were indications of difficulties to secure bank loans, a few (i.e., 30%) owner-managers actually thought (perhaps in the face of the difficulties to obtain bank loans) that it was expedient to rely on family/friends' financial help or rely on their business credit cards as they believe this to be suitable for their businesses. As was stated by a manager of a shipping company:

... I don't believe in bank loans ... I prefer to use my credit cards ...

Yet a manager of a restaurant said that:

... I don't get bank loans at all ... never in need of bank loans ...

A manager of a hairdressing salon simply claimed that they do not like bank loans. In contrast, support for bank loans was

evident and out of the 26 owner-managers interviewed, two (i.e., 5%) underlined the importance of bank loans to their businesses. For example, a manager of a shipping company denied any allegations of difficulties in securing bank loans by saying that:

... bank loans are taken, and we have no problems with that ...

An interesting issue worthy of mention is that all businesses involved in our study are within the province of the service sector and are fragmented – a fact which invariably highlights African and Caribbean small businesses' lack of access to the wider labour market opportunities (Fadahunsi et al., 1999; *African Business & Culture*, 2000).

Finally, based on the findings of this study, one can highlight certain pertinent issues that invariably affect planned approaches to marketing practices within the African and Caribbean small business sector:

- lack of appreciation of the marketing literature (e.g., pertinent magazines, newspapers, journals and books) and awareness of the basic principles of marketing
- unplanned marketing practices and the lack of pursuit of market research commensurate with business objectives and budgets
- little awareness of government support services for small businesses.

FUTURE RESEARCH DIRECTIONS

Despite the increasing attention given to ethnic minority (e.g., African and Caribbean) businesses in the UK, market orientation in this sector is still underdeveloped. As

this exploratory study has attempted to provide some insights into current patterns of marketing practices, there are several possible areas for future research. Firstly, this study could be strengthened through quantitative research using a large sample. Secondly, as this study is heavily biased towards a sample from the London area, a logical extension could consider a wider population of African and Caribbean businesses in other cities in the UK such as Birmingham, Bristol, Leicester, Liverpool, and Manchester. Thirdly, it would be worth comparing the African and Caribbean small business sector with the Asian, and ultimately the mainstream UK small business to identify any similarities and differences in marketing practices. Fourthly, future research could examine the interface between market orientation of small African and Caribbean businesses and their business performance. Lastly further research could extend this exploratory study to one which examines the causal links between the constructs with the aim of assessing the antecedents and the consequences of the market orientation constructs.

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NOTE

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APPENDIX: INTERVIEW QUESTIONS

Top management

- Compared with your competitors, what is the level of customer service in your business?
- What do you consider to be your major business risks (e.g., bank loans, loans from financial institutions, etc.)?

Interdepartmental dynamic

- How do you solve problems between your staff members?
- What is the level of relationship amongst staff members?

Organisational systems

- In your business, what systems do you use (e.g., staff meetings, management meetings)?
- Please discuss any reward systems (e.g., extra pay, overtime for extra work, praises, bonuses, perks etc.) that you have in your business.

Market orientation

- What sort of market research or data collection do you engage in? If you do, how do you disseminate the results in your business?
- How do you respond to the changing customer needs in your market?
- Please discuss about the local business culture.

Employees

- Compared with your competitors, what is the level of commitment (i.e., what sort of commitment do staff have for the business) from your staff?

- What is the level of esprit de corps/motivation amongst workers in your business?

Environment

- Please discuss the current market turbulence (market situation) that your business is in.
- What is the level of competition in the market that you operate in?
- Technology affects business performance, what technological systems (e.g., computers, fax machines, electronic mail, etc.) have you introduced in your business in the past two years?

Business performance

- Compared with your competitors, how profitable is your business?
- How do you compare your market share with your competitors?

Other questions

- What is your highest level of educational qualifications?
- How long have you been in this business?

