Identifying opportunities for latino bi-cultural entrepreneurship in Iowa: A community capitals approach to economic development

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Identifying opportunities for latino bi-cultural entrepreneurship in Iowa:
A community capitals approach to economic development

by

Hui Siang Tan

A dissertation submitted to the graduate faculty
in partial fulfillment of the requirements for the degree of

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The student author, whose presentation of the scholarship herein was approved by the program of study committee, is solely responsible for the content of this dissertation. The Graduate College will ensure this dissertation is globally accessible and will not permit alterations after a degree is conferred.

Iowa State University
Ames, Iowa
2017

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DEDICATION

This dissertation is dedicated to my beloved parents Tan, Kok Chong and Ong, Kyok Hong who have never failed to give me moral support and inspiration, besides always telling me that where there is a will, there is a way.
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and their families. Without their unconditional love and support, I would not have been
able to make my dream come true!
This study focused on innovative Latino entrepreneurs in urban and rural areas of Iowa. Recognized as bi-cultural entrepreneurs (BCEs), these immigrant Latino business owners are seizing opportunities and transforming their cultural heritage into new business ventures. These BCEs capitalize on marketplace opportunities related to their cultural background, and generate cultural-creative products and services (e.g. handcrafts, Quinceañera, festivals) to both make a living and express their cultural heritage (Ellmeier, 2003). The study investigated the potential contributions of cultural-creative industries (CCIs) such as handcrafts, food form this study and Latino BCEs to the economic and social vitality of rural and urban communities in Iowa.

Framed by Flora and Flora’s community capitals framework (2008), a qualitative research method was employed, utilizing an adapted grounded theory approach. Data was collected through interviews with twenty BCEs and four focus groups with 12 community leaders in rural and urban communities. Open and axial coding was used and a code book created to facilitate constant comparison of all cases (Zickmund, No date). The researcher then reviewed the code book to organize and reorganize emergent themes into major categories and subcategories. Based on the code book list, a taxonomy was developed to provide a better understanding of the relationship between conceptual themes and sub-themes (Bradley, Curry, & Devers, 2007). Conceptual themes and subthemes, together with the community capitals framework, were utilized to address and respond to a series of eight stated research questions.

Findings of this study demonstrated that Latino BCEs are both users and producers of community capitals, who contribute to community economic development
in Iowa. The challenges that hindered Latino BCEs included lack of business training and educational programs, technology know-how, English language, business start-up assistance, and access to financial capital. Opportunities for BCEs for business and economic development included growth of customer base, develop and serve market niches, cultural interaction, and culture retention. Overall, results of this study provide important insights to enhance Latino BCE business growth and community and economic development. In addition, a micro theory that depicts the evolution and process of BCE business development and community impact was developed.
CHAPTER 1. INTRODUCTION

Overview and Contributions of Entrepreneurs to Economic Development

Economic growth and development in the United States is inherently linked to entrepreneurship (Ace, 2006). The U.S. Census Bureau reported that in 2011, there were 5.68 million business enterprises in the United States. According to the Small Business and Entrepreneurship Council (SBE Council, 2017), 99.7% of these firms had fewer than 500 workers and 89.6% had less than 20 employees. The Small Business Administration (SBA) indicated that 63% of net new employment (small firms generated 1.3 million of the total 22.9 million generated between 1993 and mid-2013, demonstrating an increasing trend of small business expansion) (SBA Office of Advocacy, 2017).

Entrepreneurs create new businesses, thereby generating employment opportunities that contribute to local and state economies (Acs, 2006). In Iowa, small entrepreneurial businesses currently account for 97.1% of all firms, making an important contribution to the state’s economy (SBA Office of Advocacy, 2017). In fact, most of Iowa’s small businesses have fewer than 20 employees. Together, these firms hired 633,270 employees resulting in a low state-wide unemployment rate of 3.5% in 2014. This was below the national unemployment rate of 5% in 2015 (SBA Office of Advocacy, 2017).

Entrepreneurs are more than just business owners. While taking calculated risks, entrepreneurs seek to maximize market opportunities by planning, organizing, and utilizing their capabilities and resources to start and grow businesses (Brooks, 2015). To differentiate their businesses, creative-minded entrepreneurs develop new products and services, giving them a competitive advantage in the marketplace (Hoang & Antonicic,
Entrepreneurs are also the backbone of the U.S. economy and provide the fuel and flexibility necessary for recovery following a recession (Decker, Haltiwanger, Jarmin, & Miranda, 2014). Relatedly, Decker et al. (2014) stated that entrepreneurial efforts have a positive influence on local employment growth and sustainable community development.

Due to recent global and U.S. demographic restructuring, immigrant entrepreneurship has emerged as a growing sector of small business enterprise (Herms & Leicht, 2010). The Global Entrepreneurship Monitor (GEM) (2015) reported that 16% of first generation immigrants initiated startups in 2012, compared to a 13% participation rate for non-immigrant Americans, highlighting the positive influence of immigrant entrepreneurs on economic development. Immigrant entrepreneurs are defined as self-employed individuals whose country of origin is not his or her home country. This includes both people who legally immigrate to the United States and refugees that settle in the United States (Herms & Leicht, 2010). Refugees are people who are forced to leave their home countries because of “war, environmental disasters, political persecution, and religious or ethnic intolerance” (Iowa Public Television, p.1, 2015). Unlike illegal immigrants, refugees have legal staying status and a permit that allows them to work legally in the United States (Iowa Public Television, 2015).

In addition, there were 11.1 million illegal or unauthorized immigrants who came to the United States without appropriate documentation in 2014 to seek job opportunities and a better quality of life (Acevedo, 2017). Illegal or unauthorized immigrants, mostly from Mexico, are individuals who come here in a way that violates the immigration laws of the destination country (e.g. United States) (ProCon.org, 2017). Acevedo (2017) pointed out that some of these unauthorized immigrants were unable to find jobs because
federal laws restrict the employment of undocumented individuals. Therefore, many started their own businesses to ensure economic security (Acevedo, 2017). In the United States, business owners do not need to declare their residency status to open a business. Geraldino (2014) stated that unauthorized immigrants may use some form of official foreign identity, such as a passport, to apply for an Individual Taxpayer Identification Number (ITIN). With an ITIN in hand, they can ask for an Employer Identification Number (EIN) that would grant these illegal entrepreneurs a Social Security Number (SSN). Once they receive these identification numbers, illegal entrepreneurs can launch businesses in the United States, but their illegal status remains unchanged (Geraldino, 2014). Today, hundreds of thousands of American small businesses are owned by these unauthorized immigrants, and a part of every dollar that unauthorized immigrants make contributes to city, state, and federal taxes (Geraldino, 2014).

Raijman and Tienda (2000) discovered that intergenerational mobility often lead to immigrants owning businesses in the United States. Compared to Middle Eastern and South Asian immigrants, Latinos are the largest ethnic group of immigrant business owners in the United States. Raijman and Tienda (2000) revealed that South Asian immigrants, such as Koreans, enter the world of business via employment in co-ethnic firms, which are firms owned by the same ethnic group. These firms serve as a first step towards business ownership in the United States. Unlike Korean immigrants, Latino entrepreneurs enter the business world through informal self-employment. Informal businesses, such as home-based operations, allow Latino entrepreneurs to explore the possibility of particular types of businesses, to gain confidence, and to accumulate capital, skills, and experience. Therefore, informal businesses are a stepping stone for
many Latino immigrants to enter formal business ownership and become self-sufficient (Raijman & Tienda, 2000).

Immigrants in the United States have historically engaged in entrepreneurial ventures as a source of livelihood and cultural expression (Hesson, 2015). Immigrant entrepreneurs have “a strong sense of self-reliance” and are more willing to take risks than their U.S. Citizen (Federal Reserve Bank of St. Louis, 2006, p.1). These immigrants are also important contributors to economic development (Estrade, 2016; New American Economy, 2016). According to Mundkur (2014), immigrant businesses are critical for American economic revitalization. With the support of family members and business assistance programs, 77% of immigrant business owners remain successful after three years (Federal Reserve Bank of St. Louis, 2006; New American Economy, 2016).

**Latino Immigrants**

“Latino” describes Spanish speaking individuals who originate from Central or South American countries including Mexico, Guatemala, El Salvador, Honduras, Puerto Rico, Peru, Argentina, Colombia, Brazil, and Venezuela (Iowa Public Television, 2016). Latino immigrants have very diverse and rich cultural backgrounds and personal experiences that influence their relocation areas. Indeed, California, New York, Florida, and Texas have areas rich with Latino culture. In recent years, however, Latino immigrants are progressively immigrating to Southern and Midwestern states, including Iowa, where meat processing and manufacturing industries are demanding workers. (Bodvarson & Van den Berg, 2009).

Latinos are now the largest minority group in Iowa (Vasilogambros, 2014). In addition to employment opportunities, Latino immigrants come to Iowa in search of a
better and healthier environment. Interestingly, large numbers of Latinos from California, Chicago, and Texas are resettling in Iowa (Iowa Public Television, 2016). Robles and Cordero-Guzman (2007) noted that Latino immigrants initially work full-time in the manufacturing sector when they relocate to a state like Iowa, but also start small businesses to supplement their income or to meet community’s needs. These small businesses boost the growth of immigrant entrepreneurial activity in rural and urban areas (Raijman & Tienda, 2000), bringing not only new business opportunities, but also cultural awareness to the community (Vasilogambros, 2014).

**Latino Bi-Cultural Entrepreneurs (BCEs)**

Culture is formed by a learning system of knowledge, conduct, attitudes, norms, and values, which is shared by a group of individuals (Smith, 1966). Culture shapes who we are and greatly impacts our individual perceptions and motivations (Heine, 2008). Latin America has a rich culture and historical roots that are deeply embedded in daily life. Specifically, Latinos are family-oriented (Long, 2013), and they frequently look to one another for opinions (Iowa Public Television, 2016). Latin American culture is expressed in both formal and informal activities including literature, popular culture, music, cuisine, dance, and folk art (Iowa Public Television, 2016).

Latino businesses are often inspired by the popular culture, heritage, and resources of their original country (Grant & Buckwold, 2013). The popular Latino culture lends itself to businesses focusing on cuisine, events, festivals, dance, and music. These cultural products and businesses bring new economic opportunities to both rural and urban communities (Hesson, 2015; Lichter & Johnson, 2009; Sparshott, 2017). Latinos
use their culture and identity as a competitive advantage to boost a local neighborhood economic development (Loukaitou-Sideris, 2012).

For the purposes of this study, Latino immigrants who capitalize on their cultural products and services to start businesses are referred to as bi-cultural entrepreneurs (BCEs). The products and services that they provide are identified as cultural offerings or cultural-creative industries (CCIs). Cultural entrepreneurs are creative thinkers who shape cultural, financial, social, and human capital, to generate income from their cultural heritage and related activities (Aageson, 2008). Borrowing from the concept of cultural entrepreneurship, bi-cultural entrepreneurs are immigrant entrepreneurs who benefit from opportunities related to their heritage and draw on their cultural background to generate products and experiences of interest to consumers (Aageson, 2008). Bi-cultural entrepreneurship, consequently, relates to the process of planning, managing, and operating a new business that associates with one’s family background, heritage, and skills (Lounsbury & Glynn, 2001).

Creative Latino entrepreneurs weave culture, intellectual knowledge, and sometimes technology together to generate CCIs. The United Nations Educational, Scientific and Cultural Organization (UNESCO) describes cultural-creative industries as “sectors of organized activity whose principal purpose is the production or reproduction, promotion, distribution and/or commercialization of goods, services and activities of a cultural, artistic or heritage-related nature” (2017, p.1). Cultural-creative industries cover areas such as heritage events, arts, media, and functional creations (The Work Foundation, 2011). These products are further recognized as outputs of cultural knowledge (Dümcke & Gnedovsky, 2013) and the creative economy (Howkins, 2001).
The economics of creativity were initially associated with the knowledge economy, information, and communications technologies (Howkins, 2001) and Florida’s (2002) *creative class*. Florida (2002) categorized the creative class into two broad sections—*super-creative core* and *creative professionals*. The super-creative core refers to individuals who are “fully engaged in the creative process” (Florida, 2002, p.69), whereas creative class professionals are knowledge-based workers. This includes “individuals engaged in design, education, arts, music and entertainment, whose economic function is to create new ideas, new technology and/or creative content” (2002, p.8). Florida further portrayed the creative class as having a high degree of formal education.

Florida’s seminal work (2002) focused primarily on highly educated professionals in urban areas of the United States. In contrast, the present study focuses on urban and rural BCEs who capitalize on their traditions and heritage to start innovative cultural-related small businesses in Iowa. These innovative heritage-based offerings, or CCIs, include cuisine, music, festivals, heritage events and cultural services to benefit local communities. The contributions of CCIs in rural and urban areas are neither well documented, nor understood. The present study addresses this gap by investigating the potential contributions of CCIs and Latino BCEs to the economic and social vitality in both rural and urban communities of Iowa.

Bi-cultural small businesses exist in both large and small community settings. Latino entrepreneurs bring many unique cultural resources with them to their new communities that can be refashioned, utilized, and converted into new business ventures that promote cultural-creative industries (Markusen & Gadwa, 2010). By combining
traditional and contemporary lifestyles, Latino BCEs build on the past and present with ideas that create a cultural impact. This effort results in innovative businesses that appeal to diverse market segments. Therefore, Latino BCEs create unique value through businesses that build on cultural heritage, encouraging both social and economic growth.

Dümcke and Gnedovsky (2013) posited that cultural heritage supports economic development primarily through tourism, retail industries, and employment creation in the creative industries sector. The outputs from bi-cultural entrepreneurial activity can be viewed as forms of value or capital. To Latino BCEs, these CCIs are important cultural capital that represent who they are and where they are from. To the community, these Latino BCEs are human capital and social capital who serve to bridge the gap between different cultures and bond the community together. In addition, these CCIs also generate revenue for Latino BCEs to make a living. Additionally, creative assets include examples of cultural capital, human capital and social capital. All of these types of capital contribute to the local creative economy and the community development (Flora & Flora, 2008; Banks, Calvey, Owen, & Russell, 2003; Ellmeier, 2003).

**Problem Definition**

Economic development is important to every country. Economic growth refers to a positive change in the degree of goods and services produced by a country over a certain period of time and is directly associated with a percentage change in the GNP of a country (Economic Discussion.net, 2016). In a very real sense, human resources are one of the vital components of economic growth of a country (Economic Discussion.net, 2016). Therefore, immigrant and migrant populations play an important role in economic growth (Schulte, 2011).
U.S. population growth is affected by mortality, birth rates, and immigration (Elbel, 2015). Between 2000 and 2010, the Latino population grew four times faster than the white non-Latino population, increasing 15.2 million in the United States (United States Census Bureau, 2011). Not only are immigrants moving to the United States, but they are also starting families here. Elbel stated that immigration brings 2.25 million people to the United States annually, with 750,000 new births each year (2015). Latinos are widespread across rural and urban areas of the United States and recognized as the fastest-growing group of immigrant entrepreneurs (Zarya, 2015).

The Iowa Latino population increased by 100,133 (121.4%) between 2000 and 2016 and is projected to grow to 439,414 or 12.8% of the state’s total population by 2050 (State Data Center of Iowa, 2017). In addition, as of 2015, U.S. Latino businesses increased to more than 4.23 million, a remarkable 27.5% upsurge since 2012 (Geoscape, 2016). These suggest that Latino entrepreneurs have the potential for significantly contributing to Iowa’s community and economic development. For this reason, it is vitally important to investigate Latino BCE capacities and potential contributions to the state and local economies of Iowa (Chiswick & Miller, 2004; Wainer, 2013).

Immigrants in Iowa are revitalizing communities in many ways. According to the 2010 Census, immigrants from Mexico, El Salvador, and Burma have relocated to Iowa over the past decade (USBC, 2015). Employment is the main draw for these new immigrants. Iowa consistently provides jobs in construction, the food service industry, and meat processing plants (Decker, Deichert, & Gouveia, 2012). Furthermore, Robles and Cordero-Guzman (2007) noted that many immigrants are self-employed people who boost the growth of entrepreneurial activity in rural and urban areas. These Latino BCEs
bring cultural knowledge and skills to their new businesses in the United States. They are characterized as hard working, flexible, resourceful, determined, persistent, and are knowledgeable of the local area (McDonnell, 2012).

Latino BCE occupations include, but are not limited to, authors, chefs, musicians, stage performers, artists, artisans, fashion designers, and winemakers. These types of small businesses contribute to community development through economic exchange and the generation of tax revenue (SBA Office of Advocacy, 2017). Innovative business ideas are critical to a business’s success and growth (Georgellis, Joyce, & Woods, 2000). Within Iowa, many retailers now understand the importance of differentiating their businesses and services from competing businesses based on an authentic cultural experience. Excellent examples of creative entrepreneurship ventures include The Amana Colonies, Des Moines’ Valley Junction, and East Village (National Historic Landmark, 2017). In addition, the Mayor of Denison, Iowa stated that Latino BCEs also play an important role as a bridge between current residents and recently arrived immigrants in culturally diverse communities (personal communication, December 3, 2014). These statements support the value of examining what CCIs and BCEs can contribute to economic and community development in Iowa.

The present study addresses perceived entrepreneurial opportunities and contributions of Latino BCEs in rural and urban areas of Iowa from the perspective of business owners and community leaders. In the case of Iowa, CCIs contributed $79.8 million to economic and cultural activities, created 2,761 job opportunities, produced $33.9 million in household income for Iowa residents, and contributed $7.4 million to state revenue in 2010 (Americans for the Arts, 2012; Iowa Cultural Corridor Alliance
Furthermore, Gibney and Fisher (2014) reported that immigrants comprise 4.3% of the Iowa population and contribute 4.5% of the state’s economic output.

It is plausible to suggest that Latino BCEs have the potential to create positive impacts on the economic development in Iowa. These culturally based businesses not only offer unique products, but also promote a cluster of cultural activities that may stimulate local economic and community expansion. For example, Iowa’s Latino Heritage Festival (ILHF) (2006) engages tourists and the local community in cultural events and activities like cooking lessons, painting, and traditional children’s games. In addition, the festival features artists’ displays, craft markets, and live music performances. Both the interactive programs and the displays and performances provide an important educational experience for the public.

A study conducted in small, medium, and large northeastern Iowa communities revealed significant social and economic contributions from community festivals, including developing community pride, encouraging social bonding, attracting tourists, generating income, and encouraging small business development (Sanders, 2006). The Des Moines metro area also hosts Iowa’s Latino Heritage Festival. This cultural celebration takes place over two days in September and draws about 30,000 participants each year (Rodriguez, 2016). Studies of these events acknowledge the importance of local cultural resources that benefit community and economic development. Thus, maximizing cultural capital to promote tourism may benefit local economic growth in Iowa. CCIs may also create the potential to attract other entrepreneurs, which may in turn invigorate Iowa communities.
Bi-cultural entrepreneurs currently operate many businesses in Iowa, primarily marketing to their own cultural groups. A smaller number of entrepreneurs sell products to customers outside of their cultural group. These Latino immigrants contribute their labor skills to manufacturing plants (Iowa Public Television, 2015) and some start small businesses related to their cultural background (Chiswick & Miller, 2004; Wainer, 2013). No research to date has examined the spectrum of bi-cultural entrepreneurship in rural and urban areas of Iowa, nor BCE’s contributions to the creative economy and community economic development.

**Purpose and Significance of the Study**

This study analyzed the opportunities and challenges of Latino bi-cultural entrepreneurship and its potential impact on economic development in selected rural and urban communities of Iowa. This research also sought to probe the spectrum of bi-cultural entrepreneurship as valuable community resources and identify barriers, needs, and opportunities for BCEs. These findings can be used to create beneficial resources and develop strategies for enhancing business, community, and economic development. The overarching goal of the study was to identify ways to support and strengthen Latino bi-cultural entrepreneurs (BCEs) as valuable human capital who may enable Iowa communities to be more attractive, competitive, and sustainable.

**Theoretical Framework**

A qualitative research approach was used to identify and analyze characteristics of the Iowa entrepreneurial community climate and economic development efforts in relation to Latino BCEs. This study, guided by Flora and Flora’s (2008) *community capitals framework*, adopted procedures from grounded theory. The community capitals
framework perspective explains how community systems interact and how each capital builds on the other to generate new community resources over time (Flora & Flora, 2008). Community capitals are valuable assets or resources that a community possesses, and on which the community’s sustainability depends (Flora & Flora, 2008). These include natural, cultural, human, financial, social, built, and political forms of capital.

In this study, Latino BCEs were posited to capitalize on their heritage and intellectual property to generate unique cultural products and services. BCEs are an example of human capital, while their cultural offerings or cultural-creative industries are defined as cultural capital. The cultural businesses of BCEs can also aid in bonding different social groups within communities, building one culturally rich, dynamic, and collaborative community. In this study, financial capital provides BCEs with monetary resources to start and grow their businesses. Political capital helps to measure BCEs social engagement in the community development. Consequently, BCEs also create social capital by building connections and relationships within the community or by creating a destination community through their business offerings. These entrepreneurial activities potentially impact all of forms of community capitals, thus benefitting community and economic sustainability.

Objectives of the Study

This study gathered insight from Iowa Latino BCEs and community leaders to assess the climate and potential for development of the CCI sector in Iowa.

Specific objectives of this study were to:

1. Examine the growing phenomenon of bi-cultural entrepreneurship;

2. Assess the potential impact of bi-cultural entrepreneurship on community economic development in Iowa;
3. Identify the barriers, needs, and opportunities for bi-cultural entrepreneurs (BCEs) in Iowa;

4. Analyze the business behavior of BCEs;

5. Investigate the community and other context factors related to BCEs’ contributions;

6. Discover current and potential cultural and creative industries (CCIs) in Iowa; and

7. Develop a micro-theory of BCEs evolution and impact on community and economic development in rural and urban areas of Iowa.

Definition of Terms

The following terms were defined for use in this study:

**Bi-cultural Entrepreneurs (BCEs):** Immigrant entrepreneurs who capitalize on opportunities related to cultural capital and draw on their culture-based ideas to generate products and experiences of interest to consumers.

**Bi-cultural Entrepreneurship:** An innovative business venture for immigrant entrepreneurs who utilize cultural endowment (family background and heritage) and competency (talent and skills) as competitive resources to benefit individual business expansion (Lounsbury & Glynn, 2001).

**Bi-cultural Entrepreneurial Ventures:** The types of businesses operated by BCEs that draw from their cultural background. Their entrepreneurial ventures include retail businesses (ethnic restaurants, bakeries, groceries, and apparel and accessories stores), specific products (handcrafts and artwork), events and entertainment.

**Community:** A society formed by a group of people who live in the same area (Merriam-Webster, 2014).
**Community Capitals:** Community capitals are resources developed through constructive community enhancement processes. These strategic processes build on existing resources to generate new assets that enrich and sustain community development. There are seven resources of community capitals: natural capital, cultural capital, human capital, social capital, political capital, financial capital, and built capital (Flora & Flora, 2008).

**Community Development:** A practice by which community residents work together to address community needs as well as implement changes necessary to build a better, more sustainable livelihood (Bhattacharyya, 2004; Mathie & Cunningham, 2003; Simpson, 2007; Tan, 2009).

**Community Identity:** A unique trademark or locality that is recognized as the identity of a community (Muniz & O’Guinn, 2001; Swinney, Lang, & Runyan, 2012).

**Creative Class:** “A group of individuals who are from professional disciplines such as science and engineering, architecture and design, education, arts, music and entertainment.” Their economic function is to generate new innovative ideas through their work (Florida, 2002, p.8).

**Cultural Activities:** Cultural events that are associated with leisure activities and are cultural in nature (Reverso, 2013).

**Cultural Capital:** An asset that generates cultural and economic value over time (Throsby, 1999).
**Cultural-creative Industries (CCIs):** Particular industries that generate tangible or intangible artistic and inventive products or services; these industries include creativity and individual cultural knowledge that contains social and cultural meaning. (Loy, 2009).

**Cultural Offerings:** Products or services that are generated from individual cultural knowledge and creativity and contain social and cultural meaning.

**Destination Community:** A destination community refers to a geographical place consisting of all the services and infrastructure necessary for tourists to stay or visit (Bieger, 1996).

**Economic Development:** The objective of a community’s policy makers to improve the economic, political, and standard of living through the creation of employment opportunities for a community (Feldman, Hadjimichael, Kemeny, & Lanahan, 2014).

**Immigrant Entrepreneurs:** Self-employed individuals whose country of origin is not his or her current host country.

**Immigrant Entrepreneurship:** The process or activity that relates to a self-employed immigrant that creates an innovative business concept (Ewing Marion Kauffman Foundation, 2015).

**Latino Entrepreneurs:** Small business owners of Latino background (Sherman, 2016).

**Place Branding:** A distinctive sense of emotion and characteristics associated with a place that are shared by a group that results in a unique tourist destination (CEOs for Cities, 2006).
**Refugee Entrepreneurs:** Individuals who become an entrepreneur to escape a detrimental situation in their home country (McDonnell, 2012).

**Rural Areas:** Geographic areas with a population size at least 2,500 and less than 50,000 people (USDA, 2013).

**Urban Areas:** Geographic areas with a population size equal to and above 50,000 (USDA, 2013).
CHAPTER 2. LITERATURE REVIEW

This literature review presents relevant research on the evolution of cultural-creative industries (CCIs), bi-cultural entrepreneurs (BCEs), and the impact of CCIs on community economic development in Iowa. Core areas are discussed as follows: (a) community capitals framework, (b) the impact of immigration on American culture, (c) the impact of Latino culture on entrepreneurship, (c) the evolution of CCIs in the United States, (d) defining bi-cultural entrepreneurs (BCEs), (e) potential opportunities and barriers for BCEs in small, rural communities, and (f) BCE as a potential community and economic development strategy.

Community Capitals Framework

This qualitative study was framed by Flora and Flora’s (2008) community capitals perspective, to examine the impact of Latino BCEs and CCIs on Iowa community development. Community capitals are resources that can be found within the community and can be used to generate new assets that benefit community growth (Flora & Flora, 2008). Flora and Flora (2008) posited that all communities have assets or resources and these assets can be collected, utilized, and empowered to capitalize and create new assets over a period of time. These assets are described as capitals, and CCIs and BCEs reflect sources of cultural capital and human capital that may be used to benefit community and economic development.

The community capitals framework has been used in multiple studies to develop resources for constructive community transformation (Emery, Fey, & Flora, 2006; Flora, & Arnold, 2012; Zekeri, 2013). The core concept underlying the community capitals framework is the interaction between seven different types of capital (discussed below)
that can benefit community and economic development (Flora & Thiboumery, 2005). Community development practitioners and researchers have intensely discussed the importance of connecting these capitals to community development (Flora & Allen, 2009). Emery et al. (2006) stated that this framework (see Figure 1) provides a constructive planning strategy that uses community resources to generate capitals for positive community transformation. Therefore, a community will benefit from the interaction among those capitals that contribute to economic and social development (Flora & Flora, 2008). In sum, the community capitals approach is essential to the present study because Latino BCEs and CCIs are posited to be valuable capitals and generate capitals within a community. Over time, BCEs and CCIs may prove to be valuable resources that enhance Iowa communities.

Flora and Flora (2008) acknowledged that when communities are enriched with a full set of resources, they tend to nurture healthy and sustainable neighborhoods as well as economic growth. The community capitals approach contains a set of seven capitals: natural capital, cultural capital, human capital, social capital, political capital, financial capital, and built capital (Flora & Flora, 2008). This study used a sub-set of capitals (cultural, human, social, built, financial, and political) that were connected and most relevant to this study. The six relevant community capitals are defined as follows:
Figure 1. Community Capitals Framework (CCF) for examining bi-cultural entrepreneurship
1. *Cultural capital* is comprised of the values and knowledge that groups of people engage in and share (Flora & Flore, 2008). Cultural capital includes cultural inheritance and can be transformed into tangible or intangible products or services by BCEs. Cultural capital may include CCIs, ethnic festivals, bilingual residents, or special events that integrate traditional celebrations.

2. *Human capital* relates to the skills and talents of people including: networking, ideas, resource accessibility, and the leadership capabilities of individuals. These key assets are needed to positively shape the future of a community (Flora & Flora, 2008). Bi-cultural entrepreneurs are an example of human capital.

3. *Social capital* refers to the connections between individuals such as Latino BCEs’ bonds with community residents and includes: *bonding social capital* and *bridging social capital*.
   
   a. *Bonding social capital* refers to the strength of ties between people. It can serve to build and nurture a unified community.
   
   b. *Bridging social capital* bonds a group of people to create and sustain a relationship between a community and its organizations (Flora & Flora, 2008). Events or festivals are examples of social capital that connects the community with outsiders.

4. *Built capital* describes community infrastructure. These resources include infrastructure development such as telecommunications, roads, parks, main streets, buildings, and water and sewer systems (Flora & Flora, 2008). Overall, built capital is associated with a society’s development efforts. An example of built capital is developing a tourist destination community.
5. *Financial capital* pertains to financial resources that can be used by community members and entrepreneurs to enhance and invest in developing community capacity, as well as financial wealth generated by local community economic activity (Flora & Flora, 2008).

6. *Political capital* relates to connections to people in power. This power can be used by community members and entrepreneurs to influence policy development, and leverage benefits from policy change (Flora & Flora, 2008).

Natural capital will not be utilized for the present study because it was not directly linked to the purposes of the study or applicable to the selected communities and BCEs. Nonetheless, a major advantage of the community capitals perspective is that it articulates how various capitals collaborate and interact with each other to enhance healthy and sustainable community growth (Flora & Arnold, 2012; Flora & Flora, 2008).

Without resources, support, or commitment from society, communities are difficult to develop and sustain (Emery et al., 2006; Zekeri, 2013). Bi-cultural entrepreneurs provide the fundamental resources of human and social capital and utilize their cultural capital to bond the community together. In return, these capitals, together with other sources of community capitals (financial and political), aid in the development of cultural tourism. The development of cultural tourism, a built capital, fosters local economic development. Therefore, all community capitals work together in a synergistic manner to promote communities, enhance local economies, engage residents, and support the community through patronage of local businesses.
The Impact of Immigration on American Culture and Entrepreneurship

American immigration has laid the groundwork for the development of bi-cultural entrepreneurship. Beginning in 1790, there were three successive waves of immigration to the United States: (1) 1790 to 1849, (2) 1850 to 1930, and (3) 1930 to present (Ewing, 2012; Jensen, 2006). These immigration periods are distinct based on the immigrants’ countries of origin.

The initial wave of immigration to the United States began around 1790. The first group of immigrants to the United States was from northwestern Europe, including people from England, France, Ireland, and Germany, who were seeking economic and political freedom (Ewing, 2012; Jensen, 2006). Norwegian, Swedish, and other Scandinavian immigrants began arriving in the late 1820s because of the great need for labor and availability of land in the United States. (Ewing, 2012; Jensen, 2006).

The second wave of immigration to America again included groups from northern Europe, in addition to southern and eastern European countries (Ewing, 2012; Jensen, 2006) and for the first time, people from Asian nations (Ewing, 2012; Jensen, 2006). To control the amount of newcomers from Asian nations, the United States amended and implemented the National Origin Quota System (NOQS) in the Immigration and Nationality Acts of 1921 and 1924. However, this policy did not apply to European immigrants (Jensen, 2006). Therefore, the NOQS significantly reduced the stream of immigrants from Asian nations to America from 1930 to 1965.

The third wave of immigration to the United States began in 1965 and continues today (Jensen, 2006). The U.S. government removed the NOQS and replaced it with the visa process. Jensen (2006) reported that the purposes of this new policy were to control
and track immigrants efficiently, attract professionals or immigrants with higher education, generate instant human assets, and contribute to the U.S. economy through long-term workforce development. The largest groups of immigrants in the third wave are coming from Asian, Latin American nations, and Mexico (Jensen, 2006).

These more recent immigrants have gone on to extensively impact the economies of rural and urban areas in the United States. Wainer (2013), a senior immigration policy analyst, reported that large numbers of immigrants currently choose to settle in communities such as Baltimore and Detroit. They also tend to relocate to smaller towns in rural areas, such as southeastern Iowa. In contrast to these immigration patterns, Schulte (2011) stated that younger U.S. residents are trending toward relocating to urban centers for better quality of life and employment opportunities. Therefore, the immigrants are replacing them in rural areas, sustaining many small communities in Iowa and across the Midwestern United States. In addition, Wainer (2013) argued that these immigrants are part of a solution to rejuvenate rural communities by introducing opportunities for new cultural experiences, an expanded labor force, and job creation that benefits local economic growth.

Through these massive waves of immigration, the United States has been shaped and influenced by diverse cultures. Culture refers to ways of life, beliefs, and shared attributes of a collective group (Grillo, 2003). Culture can be explicit and implicit. It is a complex phenomenon comprised of knowledge, values, arts, morals, aesthetics, foods, attitudes, and behaviors (Geertz, 1973; Spencer-Oatey, 2012; Tsekeris, 2008). Culture influences human psychology and cognition (Heine, 2008). Hofstede posited that culture
is the “collective programming of the mind” that differentiates people in one group from another (1994, p. 5).

Lung (2008) explained that people or groups adapt to a society’s shared values and bond due to their shared cultural norms, activities, and heritage. Carter and Bolden (2012) noted that “culture is an ongoing production that unfolds as social life, and is carried out by active agents who engage in actions and interactions in everyday life” (2012, p.258). Culture, thus, is a multifaceted phenomenon that is shared by a group of people, and includes common beliefs, language, customs, norms, rules, foods, tools, technologies, products, and institutions (Hofstede, 2011; Lung, 2008; Spencer-Oatey, 2012; Spencer-Oatey, 2008; Spilling, 1991).

Immigrants bring tangible (labor force and capital) and intangible assets (knowledge, intelligence property, and culture) into the country. Most importantly, ethnic and immigrant entrepreneurs have brought cultural values, creativity, and business practices to the United States that contribute to community economic development (Jensen, 2006). These cultural values are at the core of attitudes, beliefs, and behaviors that impact business practices. It has been shown that cultural values are related to how different cultural groups view interactions, time, nature, and self-expression (Carter, Yeh, & Mazzula, 2008; Carter, 1991; Ibrahim, 1985; Sue & Sue, 2002). Most importantly, cultural value orientations continue to play an important role in entrepreneurial behaviors (Mueller & Thomas, 2000; Singh & DeNoble, 2004; Wennekers & Thurik, 1999). Cultural values influence many decisions inherent in small firm owners’ thinking, especially business operation and management considerations for their companies.
**Latino History, Cultural Patterns, Challenges, and Acculturation**

**Latino history.** Latinos have lived in the United States since the 1500s (Jensen, 2006). Historically, Latino immigrants were poor and came to the United States seeking jobs and better opportunities (Albert, 1998). During the last four decades, Latino populations have increased tremendously, to over 56.5 million in 2015. That number is expected to grow, making Latinos the biggest minority in the United States (Flores, 2017).

In Iowa, these immigrants relocate to work in the meatpacking industry or workplaces that require heavy labor (Iowa Public Television, 2015). Grey and Woodrick (2002) indicated that Latino immigrants are the primary labor force in the meatpacking plant in Marshalltown, Iowa. The plant relies heavily on Latinos as production employees and the families of these workers. Grey and Woodrick (2002) explained that these meat plants are important to Latino workers because the workers need a source of income to send their families still in Mexico. Therefore, the relationship between the Mexican community in Midwest and Mexico are inseparable (Grey & Woodrick, 2002).

Trabalzi and Sandoval (2010) noted that Latino immigrants remade the community identity of Perry, Iowa. Researchers indicated that the Perry community has supported cultural diversity and adopted cultural pluralism even though state laws are not conducive to the equal treatment of immigrants. Although all states have laws targeting immigration, immigrants feel the laws are often “encouraging, passively accepting or exclusionary” (Martinex, Buntin, & Escalante, 2011; Portes & Rumbaut 1996, p.62). Trabalzi and Sandoval (2010) suggested that immigrants are often invisible resources, and community development policies should appreciate cultural diversity and focus on its
impact to the community. Thus, to improve the unequal treatment of these immigrants, policy makers should address issues that focus on “class, race, gender, privilege, and local power relations” to reduce the challenges of ethnic diversification (Trabalzi & Sandoval, 2010, p.76).

Many rural and urban areas of Iowa have been rejuvenated by the influx of Latino populations. Places like Marshalltown, Perry and other rural areas of Iowa, have meat packing plants that require intensive work and lots of workers. Therefore, many Latino immigrants relocate and settle with their family in these places. Remarkably, West Liberty, one small rural Iowa community, is known as the first majority Hispanic town in Iowa, which has 54% (3,768) of residents is Latino (Liorente, 2016). These Latino immigrants are not only contributing their labor skills to the local meat industries, but also bringing their culture to their community by starting their second business such as street vendors (Bhimji, 2010).

Many rural and urban communities in Iowa are becoming multi-cultural (Trabalzi & Sandoval, 2010). Researchers have debated if issues such as assimilation and cultural pluralism are new emerging topics of ethnic relations in the Midwest (Millard & Chapa, 2004). Researchers also suggest that current multicultural policies need to be revised if there are to be helpful in understanding the present cultural dynamics and promoting understanding of the positive contributions of Latino immigrants to local communities (Trabalzi & Sandoval, 2010). In some cases, policies are needed to help resolve conflicts between the community and the newcomer residents, such as immigrants (Trabalzi & Sandoval, 2010).
**Latino cultural patterns.** Latinos have unique cultural patterns. Chong and Baez (2005) reported that Latinos are very cooperative individuals who do not like confrontation or conflict in the workplace. To maintain a harmonious relationship with colleagues and supervisors, Latino workers choose to use third person in conversations (Chong & Baez, 2005). In general, Latinos build formal relationships when they first meet you. As relationships continue to grow, they become less formal. Chong and Baez (2005) noted Latinos also likely to use humor as relationships solidify. Moreover, Latinos tend to disclose their personal stories as a way to build trust in business relationships. The study also found that family is the greatest motivation for Latinos to work because supporting their family is their responsibility and main purpose in life (Chong & Baez, 2005).

**Challenges to Latinos.** Albert (1998) explained that as a minority group, Latinos have encountered stereotypes and prejudice in the following ways: lack of access to housing, segregation, poorly paid jobs, high crime living areas, and inaccessible services (Albert, 1998). These problems may influence behavior patterns of Latino immigrants. In addition, Latinos are very sensitive to being treated in a prejudice due to their ethnicity, color, nationality, and language (Albert, 1998).

Another important challenge that Latino immigrants encounter is inadequate educational opportunities in the United States (Schneider, Martinex, & Ownes, 2006). Most Latino immigrants are not familiar with the U.S. educational system. This lack of familiarity, combined with their limited English proficiency, often hinders their educational progress (Schneider, et al., 2006). The U.S. educational experience becomes a significant disadvantage for most Latino immigrants. Schneider et al. argued, “Many
Latino students begin formalized schooling without the economic and social resources that many other students receive, and schools are often ill equipped to compensate for these initial disparities” (2006, p.179). Latinos feel that they are treated unequally at school and are not able to communicate proficiently with their teachers or others because of their limited English proficiency. In addition, these factors directly impede job opportunities for Latinos (Schneider et al., 2006).

Correspondingly, high unemployment, imperfect immigration policies, and low educational completion are the biggest challenges facing the Latino community in Central Iowa and across the United States (Keenan, 2012). The Office of Latino Affairs of the Iowa Department of Human Rights (Keenan, 2012) identified a number of challenges facing Iowa’s Latino entrepreneurs. The significant challenges include: difficulty accessing financial resources for start-up and expansion, obtaining business-related assistance and resources, finding business mentors, connecting with peer networks, and becoming accustomed with business rules and regulations in the United States. Therefore, these challenges discourage many Latinos from engaging in business start-up in Iowa.

**Acculturation.** Acculturation is cultural adaptation of individuals by adjusting their traits and/or borrowing identification patterns from other cultures (Liebkind, 2003). Ward (1996) claimed that acculturation is a conceptualized changing state or process in relation to culture-specific indicators such as values, beliefs, attitudes, conduct, and/or social patterns. Acculturation takes place when immigrants relocate to a new cultural environment. With cultures fusing together ethnic and national perspectives, immigrants tend to practice a series of acculturations (adaptation or modification of traits) related to
their original culture. As such, they tend to blend their cultural values with their host country’s cultural values, traditions, and customs, as opposed to strictly maintaining their original culture (Slama, 2004), resulting in a state of acculturation. There are four dimensions of acculturation discussed in the literature as follows.

**Dimensions of acculturation.** Assimilation, integration (or cultural plurality), separation, and marginalization are four orientations of acculturation (Berry, 1997). Berry (1997) illustrated that assimilation refers to individuals who are unidirectional in their change toward the host culture’s value and behaviors, whereas integration (or cultural pluralism) means persons who acknowledge a two-dimensional (host and home) sense of culture. Separation occurs when individuals hold on to their original culture and do not have interest in interacting with the host culture. In contrast, marginalization occurs when individuals have little concern regarding either culture (Berry, 1997).

When immigrants enter a new country, they begin the process of acculturation and then go through the different stages of acculturation. Acculturation is indirect and often involves language practice, relationship patterns, media sources, work-related status, individual and parental origin, and values (Liebkind, 2003; Palinkas & Pickwell, 1995). The degree of acculturation is decided by motivation, individual factors, cultural factors, and factors associated to the immigrant experiences (Berry, 2001; Bochner, 1982).

**Impacts of acculturation.** The impacts of acculturation can be observed in both negative and positive ways. Acculturative stress, for instance, has been found to be directly associated with depression and suicidal causes among immigrants and second-generation Latino adolescents in the United States (Hovey & King, 1996). Factors such
as learning a new language, adapting to a new life style, and learning other conforming behaviors pose great challenges to immigrants’ psychological well-being. This stress may in turn impact Latino immigrant intentions regarding business start-up and their quality of life in their host country. Interestingly, one study suggested that integration is related to better psychological health, whereas marginalization and separation are related to negative acculturation stress (Berry & Kim, 1988). Moreover, Dow (2011) found that psychological disorders observed in Latino immigrants were directly related to their experience with the acculturation process (Dow, 2011).

On the other hand, multiple studies claimed that integration has positive economic and social advantages for their host country and ethnic minority communities (Chapple, Gorbey, & Yeabsley, 1994; Daniels, Radebaugh & Sullivan, 2002; Kloosterman, Van de Leun & Rath, 1999). Acculturation, therefore, in relationship to entrepreneurship, is perceived as a facilitator of outcomes of cultural capital that benefits immigrant entrepreneurs (Valdivia, Jeanetta, & Flores, 2016). The acculturation process facilitates Latino small business owners to identify and capitalize on advantages of their ethnic identity (human capital) and transform it into cultural-creative offerings (cultural capital). These cultural-creative products include goods and services that connect to their traditional culture, such as foods, music, media, events, and festivals. To date, very few studies have addressed the cultural and creative offerings of Latinos and the resulting impact on entrepreneurship and community and economic development.

**Cultural Impacts on Entrepreneurial and Creative Activity**

Over time, humans have shaped the development of culture in many ways, especially in terms of creativity (Heine & Ruby, 2010; KEA European Affairs, 2009;
Kim, 2009; Sawyer, 2011; Triandis & Suh, 2002). Personality shapes individuals’ creativity, thinking, and performance, which pertains to “individual difference in characteristic patterns of thinking, feeling, and behaving” (Amabile, 1998; American Psychological Association, 2015, p.1). Empirical evidence (Hofstede & McCrae, 2004; Triandis & Suh, 2002) has shown that culture influences personality when making creative decisions.

Creativity is a sophisticated synergy between an individual (talents and experience), a field (community of practice), and a culture (knowledge and values) (Csikszentmihalyi, 1988). Creativity and culture constitute a two-way interaction (Rudowicz, 2003). KEA European Affairs (2009) stated that culture is a common expression of humanity that links to humans’ values, knowledge, talents, and civilization. Rokeach expounded that a value is “an enduring belief that a specific mode of conduct or end-state of existence is personally or socially preferable to an opposite or converse mode of conduct or end-state of existence” (1973, p.5). Super (1980, p.130) defined a value as “an objective, either a psychological state, a relationship, or material condition, that one seeks to attain”. Schwartz further described value as “desirable states, objects, goals, or behaviors, transcending specific situations and applied as normative standards to judge and to choose among alternative modes of behavior” (1992, p.2) by collective groups. Success, freedom, social norms, and tradition are the codes of conduct and shared values. These shared values are used to motivate action and to evaluate and justify outcomes (Schwartz, 1999). Values exist within individuals, groups, and countries (Schwartz, 1999). Each culture develops its own set of values, which then shape individuals and groups within that culture.
A culture-based creativity concept was proposed by KEA European Affairs (2009) to capture cultural and creative groups. The components of a culture-based creativity model include artistic skills, lateral thinking skills, and an encouraging environment (KEA European Affairs, 2009). Artistic skills are analogous to technical skills or craftsmanship. Lateral thinking skills are attributed to people who are imaginative or creative thinkers. An encouraging environment is defined as a nurturing surrounding that can provide education and learning that supports and values creativity in a market that empowers culture-based creativity (KEA European Affairs, 2009). Overall, the culture-based creativity concept helps to describe innovative entrepreneurs who not only continuously sharpen their skills and knowledge to produce cultural content, but also focus on ways to create economic value.

The cultural heritage of immigrants contains skills and knowledge that have been collected from generation to generation. This heritage includes folklore, traditions, art, and artifacts (Cork County Council, 2006). These unique assets, also known as cultural content creations, may generate economic value that can contribute to economic wealth (NGA Center for Best Practices, 2009). Cultural creations are outputs generated by the interaction of heritage between human knowledge, activities, skills, and beliefs. These cultural creations contain symbolic meaning (e.g., books) and functional value (e.g., handcrafts) (Galloway & Dunlop, 2007; O’Connor, 2000; Throsby, 2008). Thus, cultural content creations by entrepreneurs produce innovative products that are in aggregate known as cultural-creative industries (CCIs). Cultural-creative industries are vital to culture-based economies because they reflect value through cultural content and provide a pathway to market for bi-cultural entrepreneurs. These bi-cultural entrepreneurs
generate economic value by capitalizing on their cultural offerings and transforming them into cultural capital. Therefore, these CCIs are a form of cultural capital (Flora & Flora, 2008).

Culture affects human thinking, behavioral norms, and practices. The different stages of social and psychological processes can impact the outcome of creativity (Chiu & Kwan, 2010). Scholars have linked various creativity components to entrepreneurial behavior. Amabile (1998) argued that creativity is a practice of three elements — expertise, creative-thinking skills, and motivation. Expertise refers to intellectual and imperative knowledge. Creative-thinking shapes how innovative and nimble individuals approach problems. Motivation relates to the inner passion of individuals toward problem-solving (Amabile, 1998). These elements dominate individuals’ thinking and action. Therefore, creativity components play a vital role in entrepreneurial development.

Culture greatly influences human thinking, behavior, and creativity. This study investigated the extent to which bi-cultural entrepreneurship has impacted the development of cultural-creative industries (CCIs) in rural and urban areas of Iowa.

**Entrepreneurship and Cultural Values**

The factors that compel individuals to become entrepreneurs are varied. The decisive characteristics of entrepreneurship include innovativeness and performance (Tibbets, 1979; Bird, 1989). Some researchers have demonstrated that entrepreneurial behavior is highly related to the psychological characteristics of the entrepreneur (Caird, 1993). Fundamental psychological characteristics have been identified by entrepreneurial researchers include Hofstede’s five cultural dimensions (2003) and the ‘Big Five’ personality traits: *openness, extroversion, agreeableness, conscientiousness, and*
neuroticism (Ciavarella, Buchholtz, Riordan, Gatewood, & Stokes, 2004; Costa & McCrae, 1992; De Raad, 2000; Llewellyn & Wilson, 2003).

Culture profoundly affects entrepreneurial traits—the nexus for entrepreneurial behavior. Canedo, Stone, Black, and Lukaszewski (2014) found that cultural values, education and skills, and social networks (family and ethnic network members) impacted Latino entrepreneurial behavior. Additionally, researchers have revealed that culture impacts entrepreneurs’ characteristics, capabilities, and predisposition, which are essential to success because they contribute to the entrepreneur’s achievement over time (Lumpkin & Dess, 1996; Schiebel, 2005).

Hofstede (2003) stated the uncertainty avoidance occurs when a society has a low level of tolerance for uncertainty, thus society members are not generally willing to change and take risks. Masculinity indicates that a country possesses a higher level of gender disparity in roles, and that males hold substantial power and control in the social structure. Power distance indicates that a society expects inequity of authority and wealth. This cultural dimension is closely connected to the uncertainty avoidance cultural dimension. Specifically, most Mexicans are not willing to change to improve their inequality in societal situations. Instead, they tend to accept and defer to current conditions of culture based on power distance assumptions.

Hofstede (2003) noted that Mexico is collectivist in contrast to other Latin American countries, which tend to be more individualist societies. Collectivist societies foster strong personal relationships, where it is one’s responsibility to follow their fellow members. Therefore, loyalty in collectivist cultures is highly important. Society teaches
members to obey and have unquestioning loyalty to their family and within-groups. This in turn creates a cohesive and strong family bonds and society relationships.

Hofstede (2003) argued that collectivism is marked by close ties and a long-term orientation. This cultural viewpoint emphasizes commitment and responsibility for family and group members. Values associated with this cultural perspective encompass thrift and perseverance. In addition, individuals who possess a long-term orientation are willing to delay short-term material or emotional indulgence and/or social success in order to prepare for their future. These five cultural dimensions contribute to understanding the perspective of Latino BCEs in the present study focused on rural and urban areas of Iowa.

The influence of Latino culture is strongly embedded in the characteristics, values and mindset of individual entrepreneurs. Culture impacts how Latino BCEs think and create. Additionally, it influences their business behaviors and skills. Accordingly, Latin America’s distinctive cultural perspectives provide innovative business ideas for Latino BCEs and help to differentiate their offerings in the marketplace and draw market attention. Therefore, it is plausible to suggest that culture-based perceptions of Latino BCEs could also impact the type of business ventures chosen and their approach to operating a business in their host country. Thus, the first research question was proposed.

RQ1: How does cultural background influence the entrepreneurial ventures and perception of Latino BCEs in rural and urban areas of Iowa?

**Entrepreneurship and Personality Traits**

Entrepreneurship is a process by which a creator practices and engages in the steps of seizing a business opportunity, taking calculated risks, and developing and
implementing a plan for creating some form of new value. Entrepreneurship focuses on the process of generating value and profit for both the individual and the community (Acs, 2006; Bosma, 2013; Brooks, 2015; Chell & Ozkan, 2010; Decker et al., 2014; Moroz & Hindle, 2012; Naudé, 2013). Wennekers and Thurik (1999) found a relationship between these entrepreneurial traits and community economic growth.

Personality traits explain consistent characteristics of individuals’ behavior and help to illustrate why individuals respond differently to the same situation. These aspects of personality have been examined over time and have been correlated to a wide range of entrepreneurial behavior. Entrepreneurship scholars have examined the importance of an entrepreneurial attitude and mindset for the success of small businesses (Lumpkin & Dess, 1996). Entrepreneurial activity is characterized by experimentation and exploitation of unrecognized opportunities and represents the entry into a new domain of business opportunity (Lumpkin & Dess, 1996). *Entrepreneurial orientation* (EO), created by scholars, refers to a set of characteristics entrepreneurs possess that promotes “innovativeness, pro-activeness, and risk-taking” that leads small businesses to success and sustained competitive advantage (Hills et al., 2008; Lumpkin & Dess, 1996, p. 3). Schindehutte, Morris, and Kocak (2008) also describe an EO as the interface between marketing and entrepreneurial activities that plays an important role in shaping various strategic orientations such as an innovativeness orientation or opportunity-seeking orientation. Wiklund and Shepherd (2003) contend that an EO is a significant indicator of how a business is organized, how they approach business activity and their success in the marketplace.
On the other hand, the Big Five personality traits also have been used to identify important entrepreneurial psychological characteristics in many studies (Ciavarella et al., 2004; Costa & McCrae, 1992; De Raad, 2000; Llewellyn & Wilson, 2003). Openness is significantly related to new start-up businesses (Ciavarella et al., 2004; Zhao & Seibert, 2006) because individuals who are open to new experiences like exploring new ideas and methods for product development and business organization. However, openness is not appropriate for long-term business survival (Ciavarella et al., 2004) because people who are open to experience tend to focus on trying new ideas and focusing less on dealing with existing business issues.

Extraverts are more successful entrepreneurs than introverts because extraverts actively interact or engage with many different people (e.g. customers, vendors, and investors) in many different communities (Shane, 2003). Burke, Fitz, Roy, and Nolan (2000) and Van Praag and Ophem (1995) confirmed that extraverts are more likely than introverts to become entrepreneurs. Entrepreneurship is also appropriate for highly disagreeable individuals because they dare to bargain, put their self-interest before others, or make use of people to reach their goals (Zhao & Seibert, 2006). Agreeableness is negatively associated with entrepreneurial success (Fraboni & Salstone, 1990; Wooten, Timmerman, & Folger, 1999; Zhao & Seibert, 2006). In fact, Costa and McCrae (1992) noted that disagreeable individuals tend to be more skeptical and sensitive than others. Indeed, Shane (2003) emphasized that less agreeable people tend to be more suspicious when reviewing business information.

Entrepreneurship is also a better fit for conscientious and emotionally stable people (Migliore, 2011). Several empirical studies concluded that conscientious
individuals are more suitable for entrepreneurship (Locke & Baum, 2007; MacMillan, Siegel, & Subba Narasimha, 1985; Timmons, 1989) because entrepreneurs are organized and able to focus on achieving their goals. Rauch and Frese (2007) underlined that emotionally stable individuals are better fitted for entrepreneurship because entrepreneurs need to be persistent in overcoming obstacles such as social isolation, uncertainty, personal financial difficulties, and issues that come from their businesses. Emotionally stable individuals are more likely to be resilient to the stress that comes with sustaining a business long term. In contrast, those with high scores in neuroticism are emotionally reactive, experience more negative emotions, and are less emotionally stable. Easily depressed, insecure, and fearful, these people are more likely to find it difficult to succeed as entrepreneurs (Goldberg, 1990).

Lastly, exogenous factors, such as demographics and personality traits shape entrepreneurial attitude, intentions, and behavior (Kreuger & Carsrud, 1993). Entrepreneurship scholars have attempted to outline the importance of exogenous factors such as personal, cultural, and habitual traits to small business success (Lumpkin & Dess, 1996). Littunen proposed that “personality characteristics are formed by the interplay between the individual and the environment” (2000, p.296). These predispositions and conditions were associated with innovation and competitive advantage, which positively affects entrepreneurship. Moreover, Urban (2006) noted that entrepreneurial intentions and behavior are tied to cultural values such as social norms, customs, and beliefs, concerning the origin of entrepreneurship.

Contrary to Caird (1993) and others, Mueller and Thomas (2001) found no evidence for a psychological distinction between entrepreneurs and the general
population. However, their research revealed that entrepreneurship was most successful in individualistic cultures with a combination of innovativeness and internal control orientation. *Locus of control* or control orientation was identified as a potential entrepreneurial trait with important impacts on entrepreneurial outcomes. In personality psychology, locus of control relates to the degree that individuals believe they can take control over a situation (Rotter, 1954). Locus of control is classified into internal and external orientations. *Internal locus of control* refers to individuals who believe their personal attributes are responsible for their outcomes (e.g., success was a direct outcome of my hard work). In contrast, external locus of control relates to individuals who cite external environmental factors for their outcomes. (e.g., success was a direct result of luck, fate, and my family) (Rotter, 1954). Furthermore, in individualistic societies, studies indicated internal locus of control and the need to achieve are associated with entrepreneurial success (Chattopadhyay & Ghosh, 2002; Diaz & Rodriguez, 2003; Kroeck, Bullough, & Reynolds, 2010; Lumpkin, 1985; Pandey & Tewary, 1979; Rauch & Frese, 2000; Schiebel (2005).

The aforementioned personal characteristics and traits are critical to the success of entrepreneurial ventures. In the present study, BCE behavior was presumed to be distinct from that of native entrepreneurs due to their bi-cultural background. To date, no research studies have examined the perception of Latino BCEs’ entrepreneurial traits. Thus, the second research question was proposed.

**RQ2:** How do BCEs in rural and urban areas of Iowa perceive their entrepreneurial traits and business motivations?
Entrepreneurship and Community

Entrepreneurship is significantly related to economic development; it is used as a solution and is promoted as a successful economic revitalization approach in many small communities (Ansari, Mirdamadi, Zand, & Arfaee, 2013; Dabson, 2001; Korschning & Allen, 2004; Levitte, 2004; Lichtenstein, Lyons, & Kutzhanova, 2004; Steele, 2013; Steinberg, Steinberg, Eschker, Keeble, & Barnes, 2010). All communities fundamentally need to promote economic well-being. This development is reliant on the community and its ability to identify community resources such as entrepreneurial competencies and exploit the potential of local business clusters (Cytron, 2007; Morgan, Lambe, & Freyer, 2009). Iowa has greatly benefited from the ethnic diversity of its population through the cultural community enhancement provided by Latino immigrant entrepreneurs (Iowa’s Latino Heritage Festival, 2006; New American Economy, 2016). Businesses that are established by Latino BCEs enhance their communities, especially rural communities where diminished career opportunities can result in the loss of younger professionals. Through community support, the immigrant BCEs positively contribute to both the cultural enrichment and economic development of the community.

Community Development and Culture

Cultural diversity refers to particular individuals or groups who have backgrounds and experiences different from those of their host country (Thomas & Grimes, 2002). These differences may include physical appearance, religion, beliefs, ideas, traditions, values, foods, languages, education, and dress (Thomas & Grimes, 2002). In this study,
bi-cultural entrepreneurs (BCEs) are individuals who have different cultural backgrounds and experiences from their local community.

Arts and festivals are ways of expression that are inspired by culture. Arts and culture play an important role in supporting and connecting the local community. Communities that are rich in cultural and artistic resources have also seen an increase in property values and population growth, and a decrease in poverty (Stern & Seifert, 2008). These resources include the promotion of and participation in live music, dance, theater and visual arts experiences, as well as other cultural events and festivals (Walker, Fleming, & Sherwood, 2003; Walker, Jackson, & Rosenstein, 2003). Therefore, encouraging local residents to participate and support local arts, cultural events and festivals is critical. This appreciation for arts and culture enhances community relationships and local development.

Philips (2004) argued that art (seen as the commoditization of culture) functions directly and indirectly as a vital and valuable characteristic in local community development efforts. He posited that the indirect effects of art-based community development refer to intrinsic elements that improve the community’s overall image through amenities and aesthetics. As a result, the community benefits from additional enhancements and investments in art and creative efforts. Art-based community development is directly related to the increase of economic activities including employment rates, sales, business opportunities, and revenues from tax and local enterprises (Philips, 2004). Therefore, it is plausible to suggest that culture may be a vital resource for communities because it may act as a natural capital that impacts community development. Philips (2004) also noted the arts are generally considered community
resources in the forms of gifts, talents, and competencies of individuals, as well as connections and involvement within a culture (Kretzmann & McKnight, 1993). Thus, the arts build on the innate assets of a culture and are a source for economic growth (Weaver, 2009).

Slama (2004) pointed out that contemporary rural culture is more diversified with the increased influx of new immigrants. These bi-cultural entrepreneurs still embrace many native cultural customs, traditions, and values in their daily lives. Interestingly, Bayard (2005) found that communities rich in cultural diversity regularly develop a range of art and cultural businesses. These arts-based businesses can improve and diversify local economies and enhance the quality of life by attracting more visitors and community investment. In addition, these cultural and art enterprises can create much-needed employment opportunities for the local community.

Through place-based economic development, rural communities can provide relevant cultural offerings and experiences to promote and strengthen community identity. Weaver (2009) also advocated that place-based economic development needs to include participation by residents and visitors. Successful, sustainable local economic development must be structured with well-planned cultural offerings and strategies to market the place as a unique destination (Weaver, 2009).

**Cultural-Creative Industries (CCIs) in the United States**

O’Connor defined cultural industries as those which include any activity that deals “primarily in symbolic goods—goods whose primary economic value is derived from their cultural value” (2000, p. 5). In 2005, the United Nations Educational, Scientific and Cultural Organization (UNESCO) again altered and broadened the
definition to include the “combination of the creation, skills, production, and commercialization of contents which are intangible and cultural in nature” (p. 2). Therefore, cultural industries refer to original creative outputs that contain cultural meanings.

Evolution of Cultural Industries

In an effort to enhance and preserve native industries, the English and Scottish governments replaced the term cultural industries with creative industries in the late 20th and early 21st centuries (Galloway & Dunlop, 2007). The Department for Culture, Media, and Sport (DCMS) of the United Kingdom in turn defined creative industries as “those industries which have their origin in individual creativity, skill and talent, which have a potential for job and wealth creation through the generation and exploitation of intellectual property” (Varbanova, 2006, p.1). Therefore, the new term “creative industries” (Galloway & Dunlop, 2007) evolved to more globally describe how cultural goods have expanded from their core meaning to include broader economic categories.

Difference between Cultural Industries and Creative Industries

Galloway and Dunlop (2007) argued that although the two terms (cultural industries and creative industries) have slightly different meanings, they are both valid and could be used interchangeably. In certain regions of the world, such as Asia, the concept is known as cultural and creative industries (Chen, Wang, & Sun, 2012). Conversely, Throsby (2008) emphasized that the terms cultural industries and creative industries are differentiated by their use value, which is measured by the ability of goods to communicate ideas (symbolic meaning), rather than by their functional value. In addition, Florida (2002) concluded that the creative class exists in many occupations.
Their innovative ideas are derived from their culture and experience, and the outputs of their creativity are “artistic and cultural as well as technological and economic” products (2002, p.55). Therefore, the creative class provides a structure to draw new and different individuals to share and nurture the knowledge and ideas to generate the added value of CCIs.

**Classification of Cultural-Creative Industries**

According to Alliance Sector Skills Councils, the creative industries are divided into the following four groups:

1. Creative original producers (e.g., craft workers, designers, artisans);
2. Creative experience providers (e.g., dance, opera, galleries, museums, cultural heritage performances and exhibits, and plays);
3. Creative content producers (e.g., TV, video games, software, consumer electronics, web development, music, book publications, fashion);
4. Creative service providers (e.g., architecture, advertising) (2011, p. 6).

Similarly, The World Creative (2017) categorized core cultural-creative industries into thirteen sectors: advertising, architecture, art and antiques, crafts (cultural heritage), design, designer fashion, film and video, digital and entertainment media, music, the performing arts, publications, software and electronic publishing, and television and radio. Creative economies capitalize on accessible, local, and cultural resources (Mallonee, 2010; Weaver, 2009). In addition, the Union Nations Conference on Trade and Development (UNCTAD) (2008) identified cultural heritage as the foundation of all forms of cultural-creative industries (see Figure 2).
Figure 2. UNCTAD classification of creative industries

UNCTAD clarified that “cultural heritage brings together cultural aspects from the historical, anthropological, ethnic, aesthetic and societal viewpoints,” besides influencing creativity and serving as cultural activities. (2008, p.14). Therefore, heritage is the concept of “traditional knowledge and cultural expressions” that is rooted in the innovation of arts, crafts, folklore and traditional cultural festivities (UNCTAD, 2008, p.14). This new economy cannot survive without the facilitation of creative entrepreneurship and long-term judgment (Weaver, 2009). The next section examines bi-cultural entrepreneurs with specific emphasis on Latinos. Bi-cultural entrepreneurs are defined as individuals who capitalize on their cultural assets and apply their intellectual property and creativity to generate new business ventures for making a living.
Bi-Cultural Entrepreneurs and their Community Level Impact

The National Association of Development Organizations (NADO) (2011) reported that two-thirds of all employment is provided by small enterprises, and that entrepreneurs are critical to both rural and urban economies. In rural areas, local firms and residents like to buy locally and use local service providers; therefore, localization becomes a significant marketing strategy for small businesses in rural communities (Coca-Stefaniak, Parker, & Rees, 2010; Rupasingha, 2013).

In a study concerning the impact of localization in small communities, Coca-Stefaniak et al. (2010) noted that localization promotes locally owned small businesses that are vital to the sustainability and competitiveness of the local economy. The formula for localization consists of making the community a place destination, using word-of-mouth marketing strategies, providing expertise on product advice for customer service, and engaging community leaders and business owners to create meaningful relationships with customers (Coca-Stefaniak et al., 2010). The localization concept is helpful for promoting and attracting more visitors and encouraging local residents to spend their quality time and money locally.

Morgan et al. suggested promoting local economic expansion by economic gardening (2009, p. 1). The idea of economic gardening capitalizes on local entrepreneurs and small business resources to build a marketplace that supports entrepreneurs’ development (Morgan et al., 2009). The garden concept embraces local producers as resources; this includes resources for arts, culture, and creative pieces. In other words, an economic gardening approach helps communities to grow entrepreneurship by cultivating individuals already residing in the community, such as
Latino BCEs. To nurture and enhance these creative businesses, it is necessary to cultivate BCEs. Bi-cultural entrepreneurs have similar roles to other entrepreneurs. However, BCEs create new ventures associated with their culture and cultural-creative industries.

Findings by Maddux, Galinsky, Gregersen, and Dyer (2008) revealed that people who have experienced the process of acculturation and who have a multicultural background are more likely to become entrepreneurs or to generate new product ideas. Acculturation is a process that allows cultural change and adaptation to take place when an individual or groups of people immigrate from their original culture to a new dominant culture (Berry, 1994; Sayegh & Lasry, 1995; Singh & DeNoble, 2004). Bi-cultural entrepreneurs are those with multicultural backgrounds who have explored and experienced different cultures; thus, they are more alert to different environments and make quick, informed responses based on their accumulated knowledge.

Bi-cultural entrepreneurs are also recognized as entrepreneurial cultural workers. They are individual providers of products or services in the professional and skilled cultural field (Ellmeier, 2003). Bi-cultural entrepreneurs are described as vigorous, multi-skilled, flexible, persistent, self-governing, and legitimate individual workers or entrepreneurs (Ellmeier, 2003; Lounsbury & Glynn, 2001). They are also known as individuals whose living depends on micro-entrepreneurialism in cultural economies (Ellmeier, 2003). These cultural and creative economies are identified as new economies in new market workforces that are based on arts, culture, or the creation of culture.

Moreover, CCIs represent the innovation of cultural products, which can be tangible or intangible, and present BCEs with products that possess unique cultural
stories (Ellmeier, 2003; Lounsbury & Glynn, 2001). Bi-cultural entrepreneurs often use storytelling to differentiate their businesses and build their own identity. This practice provides for unique marketing strategies for branding and often leads to more business opportunities. Storytelling open doors to new capital and market opportunities (Lounsbury & Glynn, 2001). These stories facilitate and reinforce building competitive advantages for Latino BCEs through the content of cultural offerings. These cultural offerings are the main structure of entrepreneurial capital, which is identified as “firm-specific resource capital” (Lounsbury & Glynn, p. 545). Therefore, BCEs are skilled, talented, and storytelling cultural workers who capitalize on cultural offerings to maximize profits from tangible or intangible cultural goods and services and contribute to creative economies and local development.

In the present study, cultural-creative content producers (e.g. Latin music, radio media, and Mexican food), cultural-creative original providers (e.g. handcrafts) and cultural-experience (e.g. festivals and events) providers were interviewed to better understand how CCIs influence community economic development in Iowa. Cultural-creative industries that are created by these Latino BCEs generate valuable community capitals (Flora & Flora, 2008), which may contribute significantly to community development. However, at present no study has examined specific cultural-creative industries or community contexts and their importance to the development of Latino bi-cultural entrepreneurship. Thus, the following research question was developed:

RQ3. How does bi-cultural entrepreneurship and the development of cultural-creative industries (CCIs) differ in rural and urban areas of Iowa?
Potential Opportunities and Barriers for Bi-Cultural Entrepreneurs

Creativity relies on uniqueness, originality, authenticity and, most importantly, new economic opportunities for cultural offerings (Richards, 2011). Cultural-creative industries produce a cluster of outputs known as cultural activities. Cultural activities generate products such as music, handcrafts, arts, and foods, as well as services like the performing arts (e.g., a theater actor who contributes to economic development via performances at events and festivals) (Eikhof & Haunschild, 2006; Littrell, Cockram, & Strawn, 2005; Lung, 2008; O’Connor, 2000; Richards & Wilson, 2006; Rosnan & Ismail, 2010; Spilling, 1991). These cultural offerings (tangible and intangible) are integrated with events and festivals, and are infused with cultural meaning and sold by local cultural workers. The businesses of cultural activities provide opportunities for cultural workers to benefit from the intellectual property of their artwork to make a living, support themselves, and sustain their dreams and needs. The contribution of cultural offerings has a positive impact on job employment, household income, and state revenue (Americans for the Arts, 2012). Johannisson and Spilling (1986) asserted that culture is vital to economic and societal development; thus, the effects of cultural activities on society enhance the culture from within.

Eikhof and Hauschild stated that cultural workers are “their own labor talent” (2006, p. 235); therefore, they are their own providers as well as managers. This creates many challenges including risks and uncertainty about their careers (Eikhof & Hauschild, 2006; Flew, 2002); problems with business support infrastructures and risky new products (O’Connor, 2000); lack of knowledge of innovation and business management skills like motivation (Hotho & Champion, 2011); and financial resources (Cytron, 2007;
Hotho & Champion, 2011). These barriers impede many BCEs from making a living using their talents.

Eikhof and Hauschild (2006) reported that cultural workers (e.g., theater artists) are a group of young performers who usually have a strong sense of belonging within their community. These cultural workers are self-reliant and self-market their labor power to sustain their lifestyle (Eikhof & Hauschild, 2006; Flew, 2002). However, O’Connor (2000) noted there is a high risk for BCEs to fail their business because their creations are based on their cultural values and may not be accepted in the current marketplace because they are often not based on market research. Furthermore, O’Connor stated many BCEs are not professionally trained with business and marketing skills; thus, BCEs can struggle to make a profit.

Equally, Hotho, and Champion (2011) stated that Latino BCEs struggle with the shortcoming of innovative management skills that can help cultural workers to develop their businesses. They also suggested that to better assist BCEs in enhancing their business success and sustainability, BCEs need to obtain relevant higher education and training. This training would enhance the business knowledge of BCEs and help them to grow stronger and be more competitive.

In addition, Muruganantham and Natarajan (2015) found several pitfalls that are challenging rural entrepreneurs. These challenges included lack of skills, lack of assistance, lack of capital, lack of awareness, and fear of the future. Hotho and Champion (2011) also noted that lack of financial capital is nearly always a challenge for most small firm owners at the start-up phase. Cytron (2007) concurred that financial capital is critical for BCEs to survive. However, Latino small business owners frequently do not know
how to access financial resources. In addition, government regulations and policies (Rothwell, 1989; Lange, Ottens, & Taylor, 2000; Bougrain & Haudeville, 2002), and local environmental characteristics (Hadjimanolis, 1999; Littunen, 2000) have been found to influence the growth of BCEs.

More importantly, the lack of support as well as lack of assistance in business resources degrades the confidence of BCEs. To encourage and assist more Latino BCEs to start-up their own business, it is essential to know the potential barriers and opportunities experienced by this group. Therefore, the fourth research question was specified:

RQ 4: What are the potential barriers and opportunities for BCEs in rural and urban areas of Iowa from the perspective of entrepreneurs and community leaders?

Researchers have also argued that fostering entrepreneurship requires a twofold approach: emphasizing the current situation and envisioning the future (Gelard & Saleh, 2011; Turker & Selcuk, 2008). Turker and Selcuk’s 2008 study indicated that educational and structural support affect entrepreneurial intentions. Entrepreneurial intention has proven to be a primary predictor of entrepreneurial behavior (Katz, 1988; Krueger, Reilly, & Carsrud, 2000). To better understand the process of creating a new business, Branz and Gleizal (2010) disclosed that it is important to understand contextual factors that impact the entrepreneurs’ decision of starting a new business. To date, no study has investigated the impact of contextual factors that may influence the sustainability and growth of BCEs in Iowa. Hence, the following research question was proposed.
RQ5: What are the contextual factors that help or hinder Iowa BCEs efforts to sustain and grow their businesses?

**Bi-Cultural Entrepreneurship, Place Branding, and Identity as Economic Development Strategies**

The use of place identity and community identity to facilitate place branding are current trends in destination development in the United States (Boyne & Hall, 2004; Trošt, Klarič, & Ružič, 2012). CEOs for Cities (2006) concluded that place branding is recognized as a unique resource that benefits community economic development. Place branding is defined as a distinctive sense of emotions and characteristics of ownership toward a place that are shared by a group of people (CEOs for Cities, 2006). Furthermore, this form of creative tourism helps BCEs maintain a competitive advantage.

Research has shown that local festivals and events, when used as a tourism strategy, are positively associated with local economic growth in both rural and urban communities (Briedenhann & Wickens, 2004; Felsenstein & Fleischer, 2003; Li, Huang, & Cai, 2009; O’Sullivan & Jackson, 2002). Visitors to rural festivals bring economic activity and increase business opportunities in the surrounding area (O’Sullivan & Jackson, 2002; Yu & Ke, 2010). Likewise, local festivals can be viewed as a form of storytelling and communicating place identity (Li et al., 2009). According to Jaeger and Mykletun (2013), festivals influence people and social identities in many ways. They create a domain to build up local stability by generating opportunities to draw visitors to a place. With the involvement of BCEs, these entrepreneurial activities provide employment opportunities and increase competitiveness in the community (Gelard & Saleh, 2010). In addition to being the driving force behind economic development
(Gelard & Saleh, 2010), bi-cultural entrepreneurs are important assets (Trabalzi & Sandoval, 2010) because they are recognized and associated with the place identity (Mykletun, 2013). Not only are BCEs important as producers in the community, but they are also important consumers of products that are closely related to their cultural heritage (Hesson, 2015; Lichter & Johnson, 2009; Sparshott, 2017). Yet, no studies have been conducted to date that have explored the contributions of Latino BCEs on community capital in rural and urban areas of Iowa community. Therefore, the sixth research question is posited.

RQ 6: Are Iowa Latino BCEs both users and producers of community capitals?

Festivals and events may also facilitate the building of pride of place or place identity and a sense of belonging (Hill, 1988; Jaeger & Mykletun, 2013), and these festivals and events planners are important human resources of the community. Bi-cultural entrepreneurs may capitalize on the uniqueness of their culture and generate a series of entrepreneurial activities that can promote their community. Consequently, festivals and events are likely to prolong and advance community identity and enhance visitors’ perceptions of an area.

**Place and Community Identity**

Place identity develops when a community becomes known for its unique characteristics or as a tourist destination. Identity evolves when individual perceptions of a community’s identifying attributes align with a distinctive character (Jaeger & Mykletun, 2013; Karlsen, 2007). To support this argument, Florida claimed that creative individuals like to reside in places or communities where they can “reflect and reinforce [their] identities as creative people, pursuing the kind of work [they] choose and having
ready access to a wide range of lifestyle amenities…They prefer communities that have a distinctive character” (2002, p.15). As long as the community’s infrastructure can support their needs and expectations, these unique characteristics draw younger professionals to communities that hold historical significance and host unique events or festivals.

Festivals engage local residents, business owners, and tourists or outsiders. Festivals affect the identity of many involved inhabitants and participating tourists. A branded image is used to enable outsiders to identify the place. Community identity refers to how inhabitants perceive their own communities (South Lake Union, 2005). Likewise, place identity is a shared sense of physical setting that represents a sense of personal attachment to a place in preferred or affiliated environments that bind people together during place-people interactions (Hammit, Backlund, & Bixler, 2006; Jaeger & Mykletun, 2013). These place-people interactions create environmental memories (Giuliani & Feldman, 1993) that live on in visitors’ minds. Jago, Chalip, Brown, Mules, and Ali (2003) explained that tourism related to special event images can fortify, boost, and change the destination’s brand. Therefore, events and destination marketers should plan and synergize festivals and other related activities appropriately (Jago et al., 2003). Linking festivals to build a place identity may help to entice visitors to stay longer, which contributes to local fiscal growth.

**Place Branding and Cultural-Creative Destinations**

Brand recognition and brand awareness have been studied for many years (Duncan & Moriarty, 1997; Keller, 1998; Vitiello & Willcocks, 2006). Marketers understand the importance of branding and utilize the power of branding to create, reinforce, and transform their products to unite with a brand because brands play a
critical role in the consumer’s perception (Jago et al., 2003). A brand contains “physical characteristics, name, symbols, reputation, and perceived benefits” (Jago et al., 2003, p. 5). As a perceptual entity, a brand invokes a specific image and product value in the consumer’s mind (Anholt, 2002; De Chernatony & McDonald, 1996; Keller, 1998; Jago et al., 2003). Additionally, Pullig (2008) defined brand equity as an intangible property that refers to the worth of the brand name in the market. Brand equity consists of brand awareness and brand image; these concepts refer to how consumers recognize a brand and what a brand means to the consumer (Pullig, 2008). Furthermore, a well-known brand gains high brand awareness (Pullig, 2008), while a strong, trusted brand secures customer loyalty and support for long-term business growth.

*Place branding* refers to the shared emotions and characteristics of ownership toward a place by a group of people (CEOs for Cities, 2006). Branding a place is one strategy to promote a location as a tourist destination, which increases potential visitors’ interest and improves or changes the negative image of the destination (Joga et al., 2003). In contrast, destination refers to a place that has integrated a balanced set of attractions, events, festivals, entertainment, products, and services that gives tourists a full range of activities and presents great value to them. (Joga et al., 2003; Kotler, Haider, & Rein, 1993).

Brand is commonly linked to the perception, image, and reputation of products (Anholt, 2002); however, place brands and destination brands are not managed in the same manner. Place branding relies on the unique disposition of a place, which forms a sense of civic pride for residents and visitors. In contrast, destination branding focuses
on perceptions and behavior of visitors toward the destination (Vitiello & Willcocks, 2006).

Detail refers to structure: defining how a place is arranged to enable visitors to perceive the intended image of a place (Vitiello & Willcocks, 2006). Detail is a perception of environment; it cannot be found in aspects of the physical environment such as buildings, streets, or locations; instead, detail contains someone’s feelings for a place, elicited by “textures, sounds, smells, and visual elements” (Vitiello & Willcocks, 2006, p. 249). Vitiello and Willcocks (2006) stressed that these small elements of detail foster a bonding relationship between the place and tourists. Therefore, details entice visitors to the destination. Visitors often determine their patronage based on the details of a place. However, no study to date has investigated who these visitors to the creative destination are. Thus, based on the previous discussion, the following research question was proposed.

RQ 7: Who are the target markets for BCEs in rural and urban areas of Iowa?

Kotler et al. (1993) claimed that rewarding destination marketing that combines the destination’s product mix (local culture, cultural offerings, festivals and events) into a single brand image will provide experiential values to visitors. This requires careful and constant management of the destination’s brand. Other studies disputed this, noting that if a brand’s equity is to be capitalized on wisely in branding destinations, then marketing communications are essential (Duncan & Moriarty, 1997; Keller, 1996). Thus, branding a community as a destination may enhance tourism, business, and employment opportunities which in turn, benefit the development of rural and urban communities.
(Boyne & Hall, 2004). Therefore, place branding for destinations is a vital resource in community economic development.

**Cultural-Creative Tourism Destinations as Community and Economic Development Strategies**

To stay competitive in today’s highly competitive marketplace, businesses and communities must consciously focus on strategic planning and marketing and the optimization of place branding. Considering the potential contributions of Latino BCEs in a marketing plan may serve to enhance community place branding. Bi-cultural entrepreneurship is recognized as a human capital resource within a community. Building on Flora and Flora’s (2008) community capitals framework, through the combination of BCEs and additional capital resources, new resources are developed for the community—resulting in place branding. However, there is no literature to confirm the impact of BCEs on rural and urban community enhancements in Iowa.

Very few recent studies have looked at the development of cultural tourism in rural and more isolated areas. O’Sullivan and Jackson (2002) noted that there are many unexploited small and rural places in the U.S. which have potential and qualify for cultural economic development. Abdul Halim and Mat (2010) argued that, as the tourism industry becomes more competitive, each place should tailor their tourism business in terms of their community’s strengths, opportunities, and unique resources. To maintain a competitive advantage, creative tourism communities must include a convergent strategy of tourism in the context of promoting cultural heritage products, arts, gastronomy (wine and food), events, and festivals that relate to cultural-creative industries. These essential components will become unique characteristics of the place, which adhere to a brand
image or trademark (Jago et al., 2003; Richard, 2011). Associating the promotion of cultural offerings, festivals, and events with place branding will benefit brand reinforcement and will attract more tourists (Abdul Halim & Mat, 2010; Quinn, 2009; Tezak, Satici, & Sergo, 2011; Trost, Klaric, & Ruzlc, 2012). This concept is consistent with Kotler et al. (1993) who noted that the importance of destination branding involves the marketing of places and the creation and management of their brands. In addition, creative tourism must include a cluster of cultural and creative endeavors that stimulates local economic growth and contributes to the GDP (Abdul Halim & Mat, 2010; Richards, 2011).

Li et al. (2009) affirmed that rural and urban tourism provides cultural and educational opportunities to visitors, while nurturing the community pride of residents. In addition, events and festivals connect and motivate visitors to understand and appreciate the place and the local community. Therefore, identifying local potential cultural capital and collaborating with local festivals and events may advance the community’s tourism industry, which may help develop the cultural and creative products’ prestige and meet tourists’ needs and satisfaction. It is reasonable, therefore, to suggest that Latino BCEs could have a positive economic impact in rural and urban Iowa communities. Hence, the last research question is proposed.

RQ 8. How can Latino BCEs impact economic development and create value in rural and urban Iowa communities?

In sum, this study utilized a community capitals approach (Flora & Flora, 2008) to frame CCIs and BCEs’ contributions to rural and urban communities in Iowa. Building on currently available literature, eight research questions were proposed. Additionally,
research questions four, five, and eight specifically addressed community leaders’ roles and perceptions regarding CCI and BCE development. Next, the research methods utilized for the study are discussed.
CHAPTER 3. METHOD

This study employed a qualitative research design to address the established research questions. An interpretative process was used to allow for deep exploration and examination of the particular research problem (Creswell, 2012). This research method allowed the researcher to actively interact with participants who were willing to share their knowledge and experience, typically in their natural setting. Interaction within the Iowa community context was particularly important for the present study of Latino bi-cultural entrepreneurs (BCEs). Thus, a qualitative approach was ideal for this study.

Grounded Theory Approach

This study implemented techniques of grounded theory (Creswell, 2009) and applied Flora and Flora’s (2008) community capitals framework as a mechanism for structuring and interpreting the research findings regarding Latino bi-cultural entrepreneurship in Iowa. Utilizing this multi-dimensional approach allowed the researcher to derive meaning and provide support for micro-theory development. Grounded theory is a systematic qualitative research method through which theory is discovered through an iterative process (Creswell, 2009). The procedures aid to provide an in-depth investigation of events or phenomena that contain multiple sources (observations, interviews) of context rich information (Creswell, 2013). This approach generates useful new knowledge for enhancing theoretical ideas, and better understanding the important contributions of Latino BCEs to the community development. This new information, if it holds across many cases, can trigger new thinking that helps with theory development (Charmaz & Belgrave, 2012). Grounded theory may be interpreted differently, depending on the researcher’s perspective. For instance, objectivist theorists think objective truth already exists in the complex world; consequently, theory will
emerge from the objective truth. However, constructivist theorists believe truth does not exist in the realities of our world, and the truth must be discovered. They also maintain that meaning is constructed rather than discovered from the data (Charmaz, 2000; Charmaz & Belgrave, 2012; Crotty, 1998; Taghipour, 2014).

People construct meaning in their world based on their own experiences. Constructivist theorists observe how individuals construct meanings and actions from their lived individual experiences; they believe that meaning is deeper than what exists in the data. Therefore, researchers can find meaning in the data through interactions with real life phenomena (Charmaz, 2000; Charmaz & Belgrave, 2012; Crotty, 1998; Taghipour, 2014). This study assumed a constructivist perspective to examine the impact of culture on BCEs’ within Iowa communities. Therefore, it was important to consider each participant’s view, values, beliefs, feelings, assumptions, and ideologies (Creswell, 2013, Charmaz, 2014). Therefore, we engaged techniques of grounded theory to gain the perspectives of both Latino BCEs and community leaders in the present study.

Overall, methods of grounded theory were highly applicable and related to this study because the researcher investigated how BCEs think, explain, perceive, and categorize the world from their own perspective. Guided by the community capitals framework (Flora & Flora, 2008) a grounded theory approach enabled the researcher to discover actual business practices and perspectives of Latino BCEs, and to understand their potential impacts on community and economic development. These findings and implications were further interpreted from a community capitals (Flora & Flora, 2008) perspective, and illuminated areas of Latino BCE’s links to community resources and assets.
**Interview Script Development**

An interview script is critical to collecting the best evidence from participants in a qualitative study. Jacob and Furgerson (2012) stated that an interview protocol helps the researcher to correct the natural limitations of a researcher’s memory and guide the interview process. The script should provide wording that helps to build rapport between the researcher and the participant at the beginning. All the interview questions should be open ended and start with the basics as a way of warming up the participant. For example, the phrase “tell me about…” is a great way to start the interview. Furthermore, it is important to build a trust between the researcher and the participant as you collect important data. Jacob and Furgerson also noted that creating “probes or prompts” (2012, p.4) for each question can help to keep the interviewer on track of timing and questioning during the interview session to prevent the participant from losing interest too quickly.

The interview script for this research was developed in relation to the purpose of the study and the research questions (see Appendix. B). The interview script had a series of related sub-scripts. After development, the interview script was shared and discussed with community gatekeepers (local economic development specialists), for feedback and clarification.

**The Selection Criteria**

Selection criteria was established for communities and participants from rural and urban areas of Iowa. The sections below discuss the selection of rural and urban communities, community gatekeepers, Latino BCE participants, and community leaders.
Rural and Urban Iowa Community Selection Criteria

This study investigated the impact of Latino bi-cultural entrepreneurship in relation to economic development in rural and urban areas of Iowa. Therefore, the criteria for the selection of rural and urban Iowa communities focused on towns with a critical mass of CCIs and BCEs. The researcher sought rural non-metropolitan (with a population equal to or less than 50,000) and urban (with a population equal to or greater than 50,000) communities with significant Latino populations, CCIs, and BCEs (United States Census Bureau, 2015). For example, Des Moines, Iowa, a large urban community with a population of 207,510 is recognized as a cultural urban center that has developed a creative economy over time (Swenson & Eathington, 2003). To date, these Latino entrepreneurs have been recognized as an intangible and valuable community asset (McDonald, 2017). Local governments have spent more than $225 million to build and promote 12 projects including conventions, events, and historical and cultural learning centers (Swenson & Eathington, 2003) to attract and retain both CCIs and BCEs.

Moreover, many rural areas of Iowa, such as Marshalltown, Perry, and Ottumwa, also support and promote the development of community cultural aspects. This includes events like cultural festivals and arts festivals (XXX Convention & Visitors Bureau, 2015). Each year these towns attract many tourists and visitors as cultural destinations. Therefore, based on the previously established criteria, one urban Iowa community was identified and three rural Iowa communities were also selected for this study.

Community Gatekeepers

In this study, “gatekeeper” refers to Iowa community business assistance professionals and those who work in an advisory capacity with Latino owned businesses.
To select potential rural communities with a significant Latino owned business sector, the researcher contacted three community development specialists from the Iowa State University Extension and Outreach program. These individual specialists served as gatekeepers to guide the researcher in obtaining access and developing trust with Latino BCEs in the selected communities.

The gatekeepers were fluent in both English and Spanish. The researcher and gatekeepers had several discussions about BCEs attributes and selection criteria. Because of their community knowledge and network, the gatekeepers were crucial in identifying communities in Iowa with a large group of Latino BCEs. Once the communities were determined, the gatekeepers contacted BCEs who met the selection criteria and asked them if they were willing to participate in the study. With the BCEs’ permission, the gatekeepers scheduled a time to meet for the interview or provided the researcher with contact information for individual scheduling. The gatekeeper was only present when the participant and the researcher needed an interpreter during the interview. This helped obtain invaluable information from individuals who did not speak English comfortably and fluently.

**Latino BCE and Community Leader Selection Criteria**

**Bi-cultural entrepreneur selection**. Bi-cultural entrepreneurs are individuals who transform and leverage their cultural capital to develop and sell culture-based business offerings. In this study, the researcher selected Latino BCEs based on a purposive sampling process as only towns with substantial Latino populations and BCE businesses that met the selection criteria were used. These BCEs were mostly first-generation American, while only one participant was a second-generation American. The
Latino BCEs had lived in the selected communities for five to 10 years. The researcher is a non-Spanish speaker; therefore, it was a challenge for the researcher to identify potential participants without the support of the gatekeepers. With the help of the gatekeepers, the researcher was able to interview individual Latino BCEs that were reasonably fluent in English. Moreover, all interview questions were asked in a very simple or plain English to cater to the Latino BCEs English language skills during the interview process. Only four participants in rural areas needed to have gatekeepers translate questions and responses from English to Spanish and back to English. Because the language constraints of the researcher and the time limitation by the gatekeepers, an acceptable number of 10 Latino BCEs as a total participants were identified from the three selected rural Iowa communities.

As for urban participants, the gatekeepers provided information for two organization contacts in urban, Iowa to assist the researcher in identifying potential urban participants. Creswell, 2009). Organization A and B are two non-profit programs, who work closely with Latino women and immigrant entrepreneurs. Organization A is a non-profit program that provides small business loans, business training and support to help low-income ambitious Latino businesswomen improve their life and support their family. On the other hand, Organization B offers micro-lending and credit counseling to women, minorities and service-disabled vets. In addition, they also provide loan application assistance, business education training, and networking opportunities with Iowa professionals and small business specialists. Both programs aid to improve immigrants and women’s lives while promoting community and creativity in Iowa.
The researcher then applied the snowball sampling technique to identify potential participants within the non-profit organization. Snowball sampling is the approach of asking study participants to make recommendations of other potential participants, who in turn provides the name of a third, and so on (Vogt, 1999). Spreen (1992) indicated that snowball sampling provides a wider set of link-tracing approaches to reach potential contacts in the same target population. This method helps the researcher locate prospective participants who are knowledgeable of the subject and harder to recognize in an urban community.

Overall, the data collection process took about six months to identify, set up appointments and collect data with potential participants from rural and urban community areas of Iowa. The researcher made multiple trips to the four selected communities to interview the participants. The researcher did not have a choice of the participants because it is who came to her via the gatekeepers. The participants’ businesses included Mexican food and drink, music, festivals and events planning, radio media, and handcrafts businesses in urban and rural areas of Iowa. Consequently, a total of 20 participants, 10 from rural and 10 from urban areas, met the selection criteria and were recruited and selected to participate in the present study.

**Community leader selection.** To gain an in-depth perspective on the influence of BCEs and CCIs on the local economic development for each selected Iowa community, the researcher also interviewed community leaders from the same communities as the selected BCEs. These community leaders were interviewed in four separate focus groups.

A focus group is a qualitative research tool that involves query of a group of people about their ideas, perceptions, beliefs, and attitudes toward a particular subject or
topic (Morgan, 1997). The focus group can be used alone or in combination with other methods. Predominantly, the focus group approach helps to understand how people feel or think about an experience or event because it provides valuable insights into people’s thoughts and actions (Morgan, 1997). Therefore, the data that was collected from the four focus groups provided a better understanding of the BCEs contributions to their community’s economic development.

Several studies indicated that focus groups should be big enough to provide a variety of perspectives, but small enough so that every participant can be heard (Oppenheim, 1993; Krueger, 1994; Morgan 1998). Four to six people is the ideal size for a focus group. Oliveira, Jenkins and Popjoy (1998) stated the number of groups is decided by the intent of the meeting or degree of data saturation from the meeting. In general, there are no new ideas generated after the third or fourth session (Krueger, 1994; Morgan, 1988; Greenbaum, 1993). In addition, Guest, Namey, and McKenna (2016) found that 90% of themes were discovered within three to six focus groups; they stated that “three focus groups were also enough to identify all of the most prevalent themes within the data set” (2016, p.1). Therefore, the researcher conducted one focus group per community.

Focus group participants were selected based on objectives set for this study and guidance from established literature. Researchers argue that when it comes to selecting participants, “the need to segment the people in categories should be considered” (Freitas et al., 1998). The participants should have something to say on the subject and feel comfortable talking to others (Morgan, 1988). Most importantly, the participants should
not have the same viewpoint on the subject. If participants have the same viewpoint, the group is not useful (Freitas et al., 1998).

With the assistance of gatekeepers, a representative sample of community leaders was obtained in alignment with the study’s objectives and the preceding suggestions for focus groups. The selected community leaders, four non-Latino and eight Latino participants, were Chamber of Commerce directors, economic development specialists, local bankers, Extension specialists, and Latino entrepreneur business leaders. All of whom possessed in-depth knowledge concerning local economic development. The non-Latino community leaders included a director of a Chamber of Commerce, a City Manager, an Extension Specialist, and several local entrepreneurs.

Overall, a total of 12 community leaders were selected to participate in the study. With their consent, these community leaders were formed into four focus groups--one focus group was conducted in the urban area in which Latino BCEs were selected (Des Moines), and separate focus groups were held in the three different rural communities of Iowa (Perry, Ottumwa, and West Liberty). The focus groups were arranged to be held at either an office or a location that was convenient for both participants and the researcher in the community setting.

**Procedures of Data Collection**

To gain multiple perspectives on bi-cultural entrepreneurship, the participants in this qualitative study included BCEs and community leaders from rural and urban areas of Iowa. A statement of purpose and established primary research questions helped to guide the development of a series of specific qualitative interview questions for each group. To refine both sets of interview questions prior to full data collection, a pilot test
was conducted with a local entrepreneur who generally matched the BCE selection criteria for this study. The purpose of the pilot test was to examine the face validity, the length of time for completion, and how well the participants understood the questions (Van Teijlingen & Hundley, 2001). Prior to contact with BCEs and community leader participants, the researcher obtained Institutional Review Board (IRB) approval in May 2016 to conduct the study (see Appendix. A).

**Bi-cultural Entrepreneur Interviews**

At the beginning of the BCE data collection process, the investigator briefly explained the procedures and purpose of the study. Each BCE read and signed the informed consent document (see Appendix E) and completed the demographic questionnaire (see Appendix. D). In addition, the BCE participants were also informed that their identities were protected by the use of pseudonyms in transcripts. Each participant was also provided a consent form that was approved by the IRB (see Appendix. A) in English and was told that he or she could withdraw from the study at any point. As a thank you for participating, each participant received a $10 gift card. No other compensation was given for the participants in this study.

Each BCE participant was interviewed individually. Demographic questions were asked first to gain an understanding of the participant’s background and characteristics (Wyse, 2012). The demographic questionnaire included questions concerning race, ethnicity, gender, age, education, profession, income level, and marital status. Gathering demographic data helped the researcher to cross-tabulate and compare how the responses vary among the types of participants (Wyse, 2012).
The individual Latino BCEs were scheduled to meet at a community location prearranged by the gatekeepers. Before the interview, the participants were asked to sign a consent form and fill out a demographic questionnaire. All documents were printed in English and if there was a need for translation or clarification of documents (consent form and demographic questionnaire), the gatekeeper was there to assist the researcher. A set of open-ended questions was asked by the researcher (see Appendix, B) during the interview. The Latino BCE interviews were audio-recorded and lasted 40-60 minutes. To keep participants’ confidentiality, no names were stated throughout the reporting of research findings.

**Community Leader Focus Groups**

For the community leader focus groups, participants were asked to sign a consent form in advance of the interviews (see Appendix, E). A set of open-ended questions was designed by the researcher that addressed community leader perspectives of challenges and opportunities for BCEs, types of support provided for BCEs, and current and potential community and economic contributions of BCEs. These topics also related to research questions 4, 5 and 8 as established for the study (see Appendix, C). The community leader focus group interviews were conducted in four selected community locations; three rural and one urban. The interviews were conducted in English and lasted approximately one hour to one-and-a-half hours. All interviews were audio-recorded to ensure accuracy of transcription. To keep participants’ confidentiality, non-identifying participant numbers were assigned throughout the reporting of research findings.
Data Analysis and Interpretation

The BCE interview and community leader focus group data were recorded digitally. With the aid of Express Scribe Transcription Software (QSR International, 2017), the data was transcribed by the researcher, saved in Word 2013 format, and prepared for data analysis. The process of transcribing enables the investigator to become familiar with the data (Reissman, 1993). Transcribed data were coded and analyzed using open coding to identify common themes. Open coding is a process of data reduction to break down, classify, label, and compare the collected data (Strauss & Corbin, 1990).

Next, the researcher entered the coded 20 interview transcripts of the BCE interviews and four community leader focus group transcripts into Nvivo 11 Pro (QSR International, 2017), a data analysis tool. Interview transcripts were uploaded to Nvivo software and auto-coding was used to sort out the data before the actual data coding process. To identify themes, patterns, and categories via the coding process, the researcher analyzed the words, phrases, sentences, and paragraphs of the data. This process accredited the definition of valid data meanings and assurance of themes and sub-themes (Esterberg, 2002). With the assistance of Nvivo software, transcripts were transferred to Word files and a code book was generated automatically showing names of themes (see Appendix. F. Samples of data coding process). Themes were removed from the themes lists if they were: (a) mentioned less than three times or (b) irrelevant to the research and interview questions. The emerging themes were constantly added and refined through a constant comparison and reliability checking process.

Finally, the researcher employed axial coding to understand the data, to check connections between data and categories, and to make relations between categories and
subcategories (Corbin & Strauss, 1990). The researcher took the categories from open coding and identified one as a central phenomenon (Corbin & Strauss, 1990; Strauss & Corbin, 1998). Then, the researcher codified what caused the phenomenon, what happened in response to it, what impacted the strategies, and what the impacts were (Creswell, 2013).

To ensure both reliable and trustworthy data, the researcher took the following steps. First, the coding guide or code book was created based on the initial coding process. The coding guide or code book was a list of key themes that emerged during the coding process (Zickmund, No date). The code book was further developed based on 20% of the cases, and then constant comparison among all cases until a completed code book was created (Zickmund, No date). Then, the researcher and the major professor reviewed the code book periodically to organize and reorganize themes into major categories and subcategories. This aided in refining the relationships and meanings of data codes throughout the coding process. Based on the code book list, a taxonomy list was developed later. A taxonomy list is a set of hierarchical codes that contains codes/themes and sub-codes/sub-themes, and it serves to promote a better understanding of the relationship between the conceptual themes and sub-themes (Bradley, Curry, & Devers, 2007).

Second, coding of data was also checked for trustworthiness by a fellow graduate student who was proficient in conducting qualitative data analysis. The coding check was conducted on 30% of the data already coded by the researcher. The researcher shared and confirmed the coding process with the fellow graduate student. Inter-coder reliability is an indicator of measurement consistency (Lombard, Snyder-Duch & Campanella-
Bracken, 2002). The inter-coder reliability agreement was calculated by a total number of agreements, subtracting the total of disagreements, and then dividing the number by the total number of agreements (Lombard, Snyder-Duch & Campanella-Bracken, 2002). All disagreements in coding were discussed between the researcher and the fellow graduate coder. To increase reliability, inter-coder agreement was constantly checked until the agreement exceeded 90%. The resulting inter-rater reliability for 30% of the entire data set was 92.56%.

**Procedures of Coding Process**

The following series of systematic coding steps were followed, within a grounded theory approach, by the researcher. Coding is the process of assigning a word and/or phrase to each coding category for all transcripts in a systematic way (Saldana, 2009). When a researcher reviews the data and marks important sections with assigned themes during the first step of coding, this process is known as open coding (Saldana, 2009). Using an open coding process, data were reviewed word by word for overarching themes and concepts. Throughout the coding process, the researcher assigned codes/themes that reflected emerging concepts (Saldana, 2009). As more transcripts were reviewed, the specifications of codes/themes were established and refined to fit the data (Bradley et al., 2007). These concepts were then grouped together in a higher order of labelling to form classifications and built hierarchies of themes or codebooks (Strauss & Cobin, 1990). Codebooks are organized lists of emerging themes (Bradley, Curry, & Devers, 2007). This emerging theme list facilitated an ongoing constant comparison process (Glaser & Strauss, 1967). The researcher then refined dimensions of current themes and classified new themes.
Significant emerged themes (mentioned more than three times) were identified and refined throughout the coding process. Since the BCE sample size was 10 participants from each community (rural vs. urban), themes mentioned less than three times were not considered to be significant. The refined, emerged themes were considered as major factors that, for example, business challenges and community contributions. At the end, a taxonomy list (see Table 2) was created to show the most useful themes and sub-themes from the data. Bradley et al., stated that “taxonomy is a system for classifying multifaceted, complex phenomena according to common conceptual domains and dimensions” (2007, p.1). In addition, they also clarified the difference between themes and sub-themes and their relationship:

A taxonomy is like a mirror, which reflects closely to the conceptual codes and sub-codes. Conceptual codes define key domains that characterize the phenomenon; conceptual sub-codes define common dimensions within those key domains. Within each dimension, there may be further sub-dimensions depending on the complexity of the inquiry. Importantly, taxonomies identify domains and dimensions that are broad in nature (Bradley et al., 2007, p.1)

In conclusion, to answer the research questions established for this study, the researcher followed a systematic qualitative method for data collection and analysis. To investigate specific business and community capital elements and understand the spectrum of bi-cultural entrepreneurship activity in rural and urban areas of Iowa, grounded theory techniques were used as a system of qualitative data analysis. The next chapter highlights specific findings from the data analysis.
CHAPTER 4. BI-CULTURAL ENTREPRENEUR INTERVIEW FINDINGS

This chapter reports findings from personal in-depth interviews with Iowa Latino bi-cultural entrepreneurs. The findings align with research questions that addressed the following areas: (a) the growing spectrum of bi-cultural entrepreneurship opportunities in Iowa, (b) the barriers and challenges that impede Latino BCEs’ business development, (c) the cultural background of BCEs and its impact on their entrepreneurial efforts, (d) community and other context factors related to BCEs’ contributions, (e) the potential impact of cultural-creative industries in Iowa, and (f) micro-theory concerning BCEs community and economic development impact in rural and urban areas of Iowa.

The chapter addresses three elements of the Latino BCE interviews. The first section begins with a description of participants who were interviewed for the study, including demographic characteristics of the sample. The second section covers key emergent themes from the qualitative data analysis and definitions of themes. The last section includes a discussion of the findings for each research question.

Overview of Participants

In the present study, Twenty Latino BCEs were selected from a range of cultural-creative industries in one urban and three rural communities in Iowa. Ten participants from rural areas were identified through gatekeepers. Most of the entrepreneurs had been operating their businesses for many years, except for two participants who had just recently opened. In the urban location, half of the participants were identified through a microfinance program and the other half through an economic development center. Participants from the microfinance program were a group of Latina BCEs who operated micro businesses, such as home-based business, whereas participants who were from the economic development center were Latino small business owners who owned brick-and-
mortar stores. Among store owners, one Latino BCE operated multiple businesses in an urban area. Thus, this study included a broad spectrum of Latino BCEs. A brief background introduction of each participant follows and a summary overview of the BCE sample is provided in Table 1.

In this section, label notations provide a guide to the community location for each BCE: (e.g. R= Rural; U=Urban), and quotes that represent the themes are presented by designated numeric codes for the identifying BCE sources instead of actual names. For instance, R1 BCE1 F (R1=Rural community 1, BCE1=bi-cultural entrepreneur number 1, F=female participant), and U BCE10 M (U=Urban, BCE10=Bi-cultural entrepreneur number 10, M=Male participant).

R1 BCE1 F is a Mexican restaurant business owner. She and her husband originated from Mexico and have operated their restaurant business for more than nine years. They sell typical Mexican food including Mexican tacos, burritos and quesadillas. They use beef, pork, and chicken with Mexican sauces for the fillings, a variety of beans to make soups, and vegetables for side dish salads. The main reason they opened the business was because they wanted to improve their quality of life. Working at a meat packing plant was too dangerous.

R1 BCE2 F, originally from El Salvador, makes hundreds of different types pastries and breads in her home. She learned to bake from her mom when she was eight. Her mom is a baker and loves to bake. Some of the special heritage breads she creates include torta, semita, and bolillo. Her business idea was inspired by her mom and childhood experience. Capitalizing on her cultural products, she creates new breads that fit the American market.
Originally from Mexico, R1 BCE3 F owns a handcraft business. She fell in love with crocheting and knitting once her grandmother taught her at age seven. Her handmade products include shoes, boots, socks, and scarves. Her business goal is to open up her own crochet store one day so she can sell the materials and teach her customers how to crochet and knit.

R1 BCE 4 M is a tortilla maker. He first began his business at home, but now has moved to a store. He is also a local tortilla provider and his clients include retail and Mexican restaurants. Even though he runs his own business, he is still working at a meat plant part-time. With the help of his family members, he is looking forward to expanding his business in the near future.

R1 BCE 5 F is a Latino radio host. She grew up listening to Spanish music when everyone heavily relied on radio in her hometown to receive daily news. After moving to a small Iowa community, she felt lost because there was no Latino radio service in that area. She then questioned how other non-English speaking Latinos received community news. Thus, she started to look for a local radio station and proposed her idea to the radio station owner. She ended up with a job offer. Her job responsibilities include radio host, managing the radio station, and serving the Latino community with daily news.

R1 BCE 6 M is a Latino radio DJ. He married R1 BCE 5 F and moved to a small Iowa community 12 years ago. He was a volunteer DJ when he lived in Kansas. For that reason, when he and his wife proposed a Spanish radio service to the local radio station and the owner of the radio station accepted the idea.

R2 BCE1 F, originally from Mexico, is an Quinceañera event decorator, planner, and a baker. She loves baking and decorating for parties. After arriving in her small Iowa
community, she sought a business opportunity for doing local traditional events. Thus, she decided to start her own business at home. She is planning to extend her business and move to a storefront once she has financial assets.

R2 BCE2 M is a music producer and DJ. He came to small town Iowa because he found his love and decided to follow his wife and relocate. He first came to California when he was seven years old. He is a self-taught learner of music. Music means a lot in his culture and brings him many fond memories. He had a rough childhood and music has always cheered him up. Thus, he started his own music business. Not only does he sell his own albums, he also performs throughout the Midwest.

R3 BCE1 F sells Mexican drinks and candy. She uses fresh produce to create drinks and candy that originally came from her culture. She was originally from Mexico, then moved to Chicago, and then to small town Iowa to stay close to her family. Her business aims to help people eat more fresh vegetables and fruits. She first started her business in her garage and now she has already moved to a store front and is planning to open up in a different location.

R3 BCE2 M owns a carnitos business. He raises his swine and provides meat for his own Mexican restaurant. He explained that pork is part of his food culture and plays an important role in his native country. He also indicated that this is a family business because his father was running the business in Mexico before he passed away. Since then, his mom has taken over the business in Mexico, while he runs the business in the United States.

U BCE1 F owns her Quinceañera and event planning business with her mom and sister. They have owned a store for almost 20 years. In addition to helping customers plan
Quinceañera parties, they carry various decorative party supplies and dresses in their store. They also create some of their merchandise and offer free alterations for their customers. They started their business while her mother worked as a photographer for church events. Gradually, they developed their business idea into a culturally related event business.

U BCE2 F is a home-based Mexican cookie baker. She is originally from Mexico, but marriage brought her to the central Iowa urban area. She explained that she does not have any family members living in the United States and misses home cooked food so much. This home-based business idea and the fact that she can take care of her three kids drove her to start her own business. She is a member of the Microfinance Loan program. Her business is young, but she is at a stable stage and looks forward to it growing. She said that her Mexican cookies taste different than American cookies because she makes them from scratch with her family’s special recipe.

U BCE3 M owns a pastry bakery business in the urban community in Iowa. He and his wife originally came from Mexico and his wife is the great baker. With his wife’s special family recipes and years of experience in the bakery business, they felt more comfortable buying the store. He stated that bakery is part of their Mexican culture because they eat, bake, and celebrate everything with cakes almost every day. Most importantly, their customers love their bakery store not only as a food resource, but also as a place for building close relationships within the Latino community.

U BCE4 M runs a non-profit event organization. Besides this business, he works as a full time human resource manager in a firm in the urban area of Iowa. He explained that he was inspired by a friend, who passed away, that was a prominent Latino advocate,
philanthropist, and a leader of the Latino community. In order to honor this person, each year he works with a team, including the leader’s wife, to plan a Latino cultural music concert for fund raising. The profit benefits scholarships and food banks for the local Latino community. This concert attracts people not only from Central Iowa, but people across the Midwest. Each year. The concert has grown over the last several years and has become an attraction in urban.

U BCE5 F is an event planner with her sister-in-law, with whom the researcher had scheduled to interview. Her sister-in-law, originally from Mexico is also a member of the Microfinance Loan program. However, U BCE 5 F is an American born, second generation Latino. U BCE5 F was interviewed in lieu of her sister-in-law due to unforeseen circumstances that prevented the sister-in-law being available. She explained that their business is a family owned business and her sister-in-law is the chief planner of their business, a flea market event, in an urban area of Iowa. They started the flea market event for the whole community, not just the Latino segment. In the flea market, customers can find clothes, handcrafts, cosmetics, Mexican gourmet foods, natural products, and toys. They rent a big arena and then divide it into small slots and rent those slots to different vendors. These vendors like to sell their products, but do not have the money to open stores. She said that flea markets are very common in Mexico and part of the culture. In addition, they see flea markets as a place to bridge different cultures and bond their community together. Because U BCE5 F was born in the United States, her interview did not qualify for the study. However, her data was still recorded and has been included in this report.
U BCE6 F is another flea market event planner. Originally from Mexico, she first moved to Colorado and then moved to Iowa. She is a member of the Microfinance Loan program. She was the founder of the original flea market event planning business and now there are five or six flea markets in the metro area. Her business is pretty similar to the other flea market except she does not sell anything; she focuses on managing and planning. She has helped to establish flea markets in other towns regionally.

U BCE7 F is a novice in the handcrafts business sector. She rents a spot at flea markets to sell her craft works. Like other handcraft entrepreneurs, she started her business because she has a passion for crochet and would like to show her kids how to make money using her heritage knowledge and skills. She stressed that she learned how to do crochet at the age of 10.

U BCE8 F is a Quinceañera event planner in an urban area. She is a member of the Microfinance program. She received a small loan from the program and started her home-based event planning business. In addition, she indicated that she is using her VISA to commute back and forth between the United States and Mexico. Her family is living in the United States. She is doing event planning part-time in addition to working as a supervisor in housekeeping company.

U BCE9 F is a Mexican food restaurant owner in an urban area of Iowa. She is originally from Mexico. Before having her own business, she was working for her sister at her restaurant to gain hands on business management skills. She likes her business because she can offer cultural food to local people and share her heritage with others. She married a man who owns a radio station in the same community and he also participated in the present study.
U BCE10 M is a very successful Latino BCE. He owns several small businesses such as a radio station, an insurance company, and an event center. He is also an advocate for the Latino community. He graduated with a computer engineering degree before coming to the United States. He indicated that the purpose of his radio station is to educate the Latino community and improve their quality life.

Prior to the interview, each participant was asked to complete a questionnaire that was designed to collect BCE background demographic information. Four participants spoke only Spanish. The bilingual gatekeeper assisted by translating for these participants. Audio recordings of these four interviews were sent to a bilingual interpreter for translation. To verify that the data was correct, the researcher compared both translators’ transcriptions (the bilingual gatekeeper and bilingual interpreter) before data analysis was undertaken. The content for both transcripts were found to be consistent. Next, the researcher organized the data, deleted participants’ names, and replaced each name with an identifying BCE code. Nvivo 11 Pro qualitative software (QSR International, 2017) was used for descriptive data analysis.

The demographic characteristics of the sample are summarized in Table 1. The number of participants for the study totaled 20 bi-cultural entrepreneurs who were engaged in cultural-creative businesses located in Iowa’s rural and urban communities. The age range of participants was between 21 to over 51 years old. Of the 20 BCE participants, 35% were male and 65% were female. Forty percent of the participants were between 31 and 50 years old. The years of living in the United States ranged between 10 and 42 years. The demographic survey revealed that, of the Latino bi-cultural entrepreneurs represented in the sample, 75% were from Mexico, 10% were from
Guatemala, and 5% were born in the United States, Columbia, and El Salvador (see Figure 3). The participants’ residency in the United States ranged from 10 to 42 years. Ten percent of the participants graduated from college, while 32% of participants stated that their highest level of education was graduating from high school. Twenty percent of participants indicated that their education stopped after middle school (see Figure 4).

![Image of bar chart showing country of birth for Iowa Bi-cultural entrepreneurs]

**Figure 3.** Iowa Bi-cultural entrepreneurs’ country of birth.

The years of business operation ranged between three months and 25 years. The business ventures of the BCEs included handcrafts, event planning (non-profit Latino concerts and flea markets), music, Latino radio station ownership and announcing, Mexican restaurants, and Mexican bakery and pastry shops. As for their employment,
50% of the participants’ businesses had no full-time employees, 20% had one full time employee, and 20% had two or more full time employees. The majority (75%) of the BCEs’ businesses did not have any part-time employees. The length of time in business operation ranged from three months to longer than 20 years. Lastly, 60% of the participants reported that they had a second job (see Table 1).

Table 1. BCE Demographic Characteristics

<table>
<thead>
<tr>
<th>Participant Code</th>
<th>Gender</th>
<th>Age</th>
<th>CCI Business</th>
<th>Number of Employees</th>
<th>Years in Business</th>
<th>Second Job</th>
</tr>
</thead>
<tbody>
<tr>
<td>R1 BCE 1</td>
<td>Female</td>
<td>41-50</td>
<td>Mexican Foods Production</td>
<td>1</td>
<td>9</td>
<td>No</td>
</tr>
<tr>
<td>R1 BCE 2</td>
<td>Female</td>
<td>31-40</td>
<td>Mexican Bakery (Bread - home-based)</td>
<td>n/a</td>
<td>2</td>
<td>No</td>
</tr>
<tr>
<td>R1 BCE 3</td>
<td>Female</td>
<td>41-50</td>
<td>Handcraft</td>
<td>n/a</td>
<td>4</td>
<td>No</td>
</tr>
<tr>
<td>R1 BCE 4</td>
<td>Male</td>
<td>51 and above</td>
<td>Mexican Food Production (Tortillas)</td>
<td>2</td>
<td>4</td>
<td>Yes</td>
</tr>
<tr>
<td>R1 BCE 5</td>
<td>Female</td>
<td>41-50</td>
<td>Latino Radio (Host)</td>
<td>n/a</td>
<td>12</td>
<td>Yes</td>
</tr>
<tr>
<td>R1 BCE 6</td>
<td>Male</td>
<td>41-50</td>
<td>Latino Radio (DJ)</td>
<td>n/a</td>
<td>12</td>
<td>Yes</td>
</tr>
<tr>
<td>R2 BCE 1</td>
<td>Female</td>
<td>51 and above</td>
<td>Quinceanera, Event &amp; Cake Decorator</td>
<td>n/a</td>
<td>25</td>
<td>No</td>
</tr>
<tr>
<td>R2 BCE 2</td>
<td>Male</td>
<td>31-40</td>
<td>Music</td>
<td>2</td>
<td>10</td>
<td>Yes</td>
</tr>
<tr>
<td>R3 BCE 1</td>
<td>Female</td>
<td>41-50</td>
<td>Mexican Food Production (Drinks &amp; Candy)</td>
<td>1</td>
<td>Less than a year</td>
<td>No</td>
</tr>
<tr>
<td>R3 BCE 2</td>
<td>Male</td>
<td>51 and above</td>
<td>Mexican Restaurant (Pork)</td>
<td>1</td>
<td>6 months</td>
<td>Yes</td>
</tr>
<tr>
<td>Participant Code</td>
<td>Gender</td>
<td>Age</td>
<td>CCI Business</td>
<td>Number of Employees</td>
<td>Years in Business</td>
<td>Second Job</td>
</tr>
<tr>
<td>------------------</td>
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<td>------</td>
<td>--------------------------------------------------</td>
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<td>------------</td>
</tr>
<tr>
<td>U BCE 1</td>
<td>Female</td>
<td>31-40</td>
<td>Quinceanera &amp; Event Planner (with store front)</td>
<td>1</td>
<td>n/a</td>
<td>23</td>
</tr>
<tr>
<td>U BCE 2</td>
<td>Female</td>
<td>31-40</td>
<td>Mexican Bakery (Cookies - home-based)</td>
<td>n/a</td>
<td>n/a</td>
<td>3 months</td>
</tr>
<tr>
<td>U BCE 3</td>
<td>Male</td>
<td>41-50</td>
<td>Mexican Bakery (Pastry)</td>
<td>2</td>
<td>4</td>
<td>15</td>
</tr>
<tr>
<td>U BCE 4</td>
<td>Male</td>
<td>31-40</td>
<td>Non-Profit Event Planning</td>
<td>8</td>
<td>n/a</td>
<td>8</td>
</tr>
<tr>
<td>U BCE 5</td>
<td>Female</td>
<td>21-30</td>
<td>Flea Market Planning &amp; Retailer</td>
<td>n/a</td>
<td>15</td>
<td>3 months</td>
</tr>
<tr>
<td>U BCE 6</td>
<td>Female</td>
<td>31-40</td>
<td>Flea Market Planner (flea market)</td>
<td>n/a</td>
<td>n/a</td>
<td>2</td>
</tr>
<tr>
<td>U BCE 7</td>
<td>Female</td>
<td>31-40</td>
<td>Handcraft (flea market)</td>
<td>n/a</td>
<td>n/a</td>
<td>1 month</td>
</tr>
<tr>
<td>U BCE 8</td>
<td>Female</td>
<td>41-50</td>
<td>Quinceanera Planning (home-based)</td>
<td>n/a</td>
<td>n/a</td>
<td>12</td>
</tr>
<tr>
<td>U BCE 9</td>
<td>Female</td>
<td>31-40</td>
<td>Mexican Restaurant</td>
<td>15</td>
<td>n/a</td>
<td>13</td>
</tr>
<tr>
<td>U BCE 10</td>
<td>Male</td>
<td>41-50</td>
<td>Radio Station (Owner)</td>
<td>3</td>
<td>2</td>
<td>12</td>
</tr>
</tbody>
</table>

*Note: N=20

* Participant Coding Guide: R1 BCE 1 = Rural community1, bi-cultural entrepreneur #1; U BCE1 = Urban community 1, bi-cultural entrepreneur #1.
Figure 4. Educational level of BCEs

Business revenue before taxes varied widely between participants: 40% of the participants reported that they made less than $10,000, where 45% of the participants indicated that their profit was between $20,000 and $50,000, and 15% of the participants reported that they made $50,000 or more in 2015 (see Figure 5). Fifty percent of participants made more than $30,000 last year before taxes. Five participants in rural areas indicated that family support was important for them and they depended on family help in their business, whereas in urban areas only three participants indicated that family support was important to them. Lastly, five participants from rural areas indicated that
they held another job, while seven participants from urban areas reported that they had a job outside their business.

Figure 5. BCE business revenue in 2015 before taxes.

Overall, the types of CCI businesses operated by Latino BCEs in rural and urban areas of Iowa were found to be quite similar. The only difference was that the radio host and DJ in the rural area did not currently own a radio station, but they were planning to rent one in the future. Whereas in the urban area, the radio station owner ran the media business and used it to educate the Latino community and improve the standard of community living. Thirteen female Latino BCEs and seven male Latino BCEs participated in this study.
Key Emergent Themes and Definitions of Themes

The Latino BCE findings and discussion chapter were organized around key themes from participant responses and the established research questions. In addition, demographic responses were used to add additional clarification and information to the qualitative findings. Statements from participants helped to illustrate major themes and sub-themes that were derived from the interviews.

Table 2. Emergent Themes and Sub-themes from Latino BCE Interviews

<table>
<thead>
<tr>
<th>Major Theme</th>
<th>Sub-Theme</th>
</tr>
</thead>
</table>
| Business motivation                         | • Able to have control  
|                                            |   • Learning experience  
|                                            |   • Changing quality of life  
|                                            |   • Feeling happy & satisfaction                                         |
| Culture as inspiration for entrepreneurship | • Roles of family and friends  
|                                            |   • Memory of childhood; pass on traditions  
|                                            |   • Cultural roots                                                        |
| Personality and entrepreneurial traits      | • Confidence  
|                                            |   • Perseverance  
|                                            |   • Risk-taker  
|                                            |   • Creative  
|                                            |   • Passion                                                               |
| Critical business needs                    | • Related training and educational program, and technology knowledge  
|                                            |   • More employees  
|                                            |   • Business preparation  
|                                            |   • Money & financial assistance                                         |
| Business goals and opportunities           | • Develop and serve market niches  
|                                            |   • Culture interaction  
|                                            |   • Culture retention  
|                                            |   • Grow of customer base  
|                                            |   • Business expansion                                                    |
Table 2. (continued)

<table>
<thead>
<tr>
<th>Major Theme</th>
<th>Sub-Theme</th>
</tr>
</thead>
<tbody>
<tr>
<td>Business resources that enhance/further/encourage growth</td>
<td>• Workshops, classes, or training in business management</td>
</tr>
<tr>
<td></td>
<td>• Family networking</td>
</tr>
<tr>
<td></td>
<td>• Formal and Informal Business Networks</td>
</tr>
<tr>
<td>Business practices that enhance performance</td>
<td>• Word-of-mouth promotion</td>
</tr>
<tr>
<td></td>
<td>• Prior business experience and knowledge in home country</td>
</tr>
<tr>
<td></td>
<td>• Creating sources of competitive advantage</td>
</tr>
<tr>
<td></td>
<td>• Customer satisfaction</td>
</tr>
<tr>
<td></td>
<td>• Choosing the right marketing mix</td>
</tr>
<tr>
<td></td>
<td>• Choosing and using the right marketing tools</td>
</tr>
<tr>
<td>Business challenges</td>
<td>• Language barriers</td>
</tr>
<tr>
<td></td>
<td>• Uncontrollable issues</td>
</tr>
<tr>
<td></td>
<td>• Heavy work responsibility</td>
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<tr>
<td></td>
<td>• Competitors</td>
</tr>
<tr>
<td></td>
<td>• Lack of time management skills</td>
</tr>
<tr>
<td></td>
<td>• Lack of supplies and facilities</td>
</tr>
<tr>
<td></td>
<td>• Lack of business professional knowledge and resources</td>
</tr>
<tr>
<td></td>
<td>• Lack of financial capital</td>
</tr>
<tr>
<td>Value creation for local economic development</td>
<td>• Social stability</td>
</tr>
<tr>
<td></td>
<td>• Draw people to their communities and create a destination experience</td>
</tr>
<tr>
<td></td>
<td>• Economic contribution</td>
</tr>
<tr>
<td>BCE community contributions</td>
<td>• Feed the community</td>
</tr>
<tr>
<td></td>
<td>• Provide education</td>
</tr>
<tr>
<td></td>
<td>• Community support and giving back</td>
</tr>
<tr>
<td>Serving and growing target market</td>
<td>• In-town customer</td>
</tr>
<tr>
<td></td>
<td>• Out of town customer</td>
</tr>
<tr>
<td></td>
<td>• Latino customer</td>
</tr>
<tr>
<td></td>
<td>• Non-Latino customer</td>
</tr>
<tr>
<td></td>
<td>• Mixed customer group</td>
</tr>
</tbody>
</table>
Eleven emergent themes were identified from the list above. Each theme and sub-theme are discussed with representative quotes in the following section:

**Business Motivation**

“Business motivation” in this study was defined as the source of incentive or drive for BCEs to launch their business. Motivation involves the emotional, social and cognitive forces that stimulate one’s behavior and action (Kurose, 2013). When BCEs were asked “Why did you want to start your business?” or “What motivated you to begin your business?”, the findings reflected comments such as: “ability to have control,” “learning experience,” “changing quality of life,” and “feeling happy and satisfaction.” The Latino BCEs in Iowa identified these sub-themes as defining motives for starting their businesses.

**Culture as Inspiration for Entrepreneurship**

“Culture as inspiration for Entrepreneurship” refers to a set of shared values, beliefs, and practices (Heine, 2008) that inspires bi-cultural entrepreneurs. Questions asked of BCEs included “Who inspired you to start your business?” or “How is your business related to your culture?” The theme was selected because participants mentioned culture related factors that triggered their business ideas. The sub-themes for culture as inspiration for entrepreneurship include “roles of family and friends,” “memory of childhood; pass on traditions,” and “cultural roots.” These themes were determined as main factors that inspired the entrepreneurship of the Latino BCEs in Iowa.

**Personality and Entrepreneurial Traits**

“Personality or entrepreneurial traits” refers to a distinctive characteristics or behavioral traits of bi-cultural entrepreneurs. The theme was discovered through
questions such as “How would you describe yourself when it comes to business decision making as a small business owner?” Several unique characteristics of BCEs were identified when participants described their personalities during the interviews. For example, one interviewee noted that she loved to knit and can finish knitting one hat in less than two hours. Based on this type of information, personality and entrepreneurial sub-themes were recognized as “confidence,” “perseverance,” “risk-taker,” “creative,” and “passion.” These unique entrepreneurial personality traits were reflected in the Latino BCEs in Iowa areas.

**Critical Business Needs**

“Critical business needs” refers to the needs of BCEs as they operate their businesses. These needs mainly focused on external and internal factors that impacted the BCEs’ ability to sustain and advance business operation. Example of questions asked “What resources have you used?” The following factors included: “related training and educational program, and technology knowledge,” “more employees or help,” “business preparation,” plus “money and financial assistance”. These themes were expressed as major hindrances to the Latino BCEs’ business growth.

**Business Goals and Opportunities**

“Business goals and opportunities” were recognized as areas of business growth and development after BCEs launched their businesses. The theme was determined by asking questions like “How do you see the growth of your business in the next few years?” The following sub-themes developed through the data analysis: “develop and serve market niches,” “cultural interaction,” “cultural retention,” “growth of customer base,” and “business expansion.” These key identified aspects were identified as
important elements that affected the business growth and development of the Latino BCEs in Iowa.

**Business Resources that Benefit Growth**

“Business resources that benefit business growth” was defined as important resources for business development. Participants were asked related questions such as “What are some of your resources needed to grow your business?” They identified the following resources that helped their business develop: “workshops, classes, or training in business management,” “family networking,” and “formal and informal business networks.” These selected business resources were stated as important to Latino BCEs’ business growth in Iowa.

**Business Practices that Enhance Performance**

“Business practices that enhance business performance” refers to business strategies that were executed by the BCEs to enhance their business performance. The theme was determined by asking BCEs questions such as “Have you sought any professional help for your business?” or “What resources have you used to enhance your business performance?” The most distinctive themes were gathered and resulted as sub-themes of “business practices that enhance business performance:” “Word-of-mouth promotion,” “prior business experience and knowledge in home country,” “creating sources of competitive advantage,” “choosing right marketing mix,” “customer satisfaction,” and “choosing and using the right marketing tools.” These particular themes were recognized as key business practices that could impact the business performance of the Latino BCEs.
Business Challenges

“Business challenges” relates to the problems that BCEs are facing when doing business in their communities. The theme was based on responses to questions like “what is the biggest thing you struggle with as a business owner?” Sub-themes were identified when interview participants revealed their concerns about “language barriers,” “uncontrollable issues,” “heavy work responsibility,” “competitors,” “lack of time management skills,” “lack of supplies and facilities,” “lack of business professional knowledge and resources,” and “lack of financial capital.” These themes were acknowledged as business challenges that impeded Latino BCEs in Iowa.

Value Creation for Local Economic Development

“Value creation to local economic development” in this study is defined as added value of bi-cultural entrepreneurship to the community. The theme was codified by asking BCEs community related questions including “How do you see your business helping to build your community as a destination?” The significant sub-themes were identified when the participants stated “social stability,” “draw people to their communities and create a destination experience,” and “economic contribution.” These values were indicated as beneficial to local economic development for Iowa BCEs.

BCE Community Contributions

“BCE community contributions” refers to the tangible and intangible efforts of BCEs to their community. The theme was identified when participants were asked “What economic changes did you notice after launching your business in this community?” and “If you had to choose one thing, what do you think is your business’ biggest contribution to your community?” Sub-themes were identified as “feed the community,” “provide
education,” “community support and giving back”. These themes were recognized as vital contributions of the Latino BCEs to Iowa communities.

**Serving and Growing Target Market**

“Serving and growing target market” in the present study means the main customers for the BCEs. The theme was discovered when participants were asked “Who are your main customers for your business?” and “Where are your main customers from?” The most distinctive sub-themes were found when the BCEs labeled their customers as “in-town customer,” “out of town customer,” “Latino customer,” “non-Latino customer,” and “mixed customer group.” These unique themes described Latino BCEs’ target markets in Iowa.

**Major Themes and Discussion of Findings from Latino BCEs Interviews**

In this section, major themes that emerged from the qualitative analysis are presented sequentially according to research questions established for the study (see Table 3). Themes are then discussed from a community capitals perspective.

**Research Question 1: How does cultural background influence the entrepreneurial ventures and perception of BCEs in rural and urban areas of Iowa?**

**Culture as inspiration for entrepreneurship.** Participants were asked to describe how the products or services that they were selling related to their culture and heritage. Sub-themes were identified as “roles of family and friends,” “memory of childhood; pass on traditions,” and “cultural roots.”
Table 3. Emergent Themes for Established Research Questions

<table>
<thead>
<tr>
<th>Research questions</th>
<th>Themes related to questions</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. How does cultural background influence the entrepreneurial ventures and perception of BCEs in rural and urban areas of Iowa?</td>
<td>• Culture as inspiration for entrepreneurship</td>
</tr>
<tr>
<td>2. How do BCEs in rural and urban areas of Iowa self-perceive their entrepreneurial traits and business motivations?</td>
<td>• Personality and entrepreneurial traits • Business motivation</td>
</tr>
<tr>
<td>3. How do bi-cultural entrepreneurship and the development of cultural-creative industries (CCIs) differ in rural and urban areas of Iowa?</td>
<td>• No theme related to this question • Refer to Table 4 for the development of CCIs</td>
</tr>
<tr>
<td>4. What are the potential barriers and opportunities for BCEs in rural and urban areas of Iowa from the perspective of entrepreneurs and community leaders?</td>
<td>• Critical business needs • Business goals and opportunities</td>
</tr>
<tr>
<td>5. What are the contextual factors that help or hinder Iowa BCEs sustain and grow their business?</td>
<td>• Business resources that benefit growth • Business practices that enhance performance • Business challenges</td>
</tr>
<tr>
<td>6. Are Iowa BCEs both users and producers of community capitals?</td>
<td>• BCE community contributions</td>
</tr>
<tr>
<td>7. Who are the target markets for BCEs in rural and urban areas of Iowa?</td>
<td>• Serving and growing target market</td>
</tr>
<tr>
<td>8. How can BCEs impact economic development and create value in rural and urban Iowa communities?</td>
<td>• Value creation for local economic development</td>
</tr>
</tbody>
</table>
Memory of childhood and pass on traditions. Participants stated that culture played an important role in their lives; it influenced their “strong memories” as shown in the following quote:

It is part of our culture because we eat tacos every day. My community served these foods since I have memory of it. I learned how to make it from the community when I was little in Mexico. [R1 BCE1F]

“Memory of childhood and pass on traditions” was one of the factors that inspired participants when they were little children. Memories were noted to be something remembered that participants made together with their family and friends. Memory helps people retain the information from past experiences through time. Culture influences human psychology and cognition (Heine, 2008). Participants grew up in a culture that nurtures them to practice certain tradition, belief, and social norms (Carter & Bolden, 2012; Lung, 2008). These participants had practiced their culture in everyday life in their home country. After moving to a new place where they could not find the same traditions and culture, participants retrieved from their memory and started to reproduce these cultural products from the past to use and sell in their current community. Some of these cultural products were assimilated into American culture from Latino BCEs’ heritage. Participants recreated their cultural offerings to adapt to local market needs and wants based on the resources that they could obtain from the current community.

Consequently, “memory of childhood and pass on traditions” could be one of the factors that influences bi-cultural entrepreneurship in rural and urban areas of Iowa. Furthermore, the BCE participants themselves can be considered as human capital (Flora & Flora, 2008). Human capital reflects the economic value of an individual’s collective
skills, knowledge, or other intangible resources that can be used to generate economic value for their community (Flora & Flora, 2008). In this study, human capital examples included the tortilla maker, event planner, radio host, handcraft, and musician. These Latino BCEs capitalized on their culture and intellectual property to create products and services such as food, music, and media resources that yielded income and contributed to the state and federal tax base for economic development. Furthermore, both rural and urban BCE groups indicated very similar sources of cultural inspiration for their entrepreneurial ventures.

**Roles of family and friends.** Participants reported that “family and friends” had a great impact on their life. Participants stated:

My grandma told me don’t take life for granted. You need to work hard and keep trying. I don’t want to stay the same forever, so I am always looking for the change to improve my life! Therefore, I am always trying and I know I can do it if I never quit! For instance, when I first came to the United States, I can’t even speak English at all, but now I can communicate with many people including my customers. I know my English is not good, but I know I am getting better and better each day because I never quit learning English each day. So, trying is what I am doing. I believe by keep trying, you will be surprised by how much you know and how much you have improved English in your life! [R1 BCE3 F]

Like I said when my mom was cooking, I like to spend time with her, so she would show me how to cook. I want to show this to my daughters too… I want to do it like how my mom did it for me to my daughters. [U BCE2 F]
Family and friends supported and influenced BCE participants during their childhood. Therefore, “roles of family and friends” appeared to have nurtured the BCEs entrepreneurial behavior. Overall, both rural and urban groups of BCEs reported a high degree of importance of the roles of family and friends in their business operations.

*Cultural roots.* Other participants revealed that it was their “cultural roots” that they could not live without. Culture is a distinctive identity that is diverse from one place to another and significantly influenced BCE’s daily life. For example, participants R1 BCE5 F and U BCE4 M described:

I think that all Latinos like music. They like to dance. That is something that comes from the blood. That is something we got it, so it is something that cannot change for anything. That is why I think music is important for all the Latino and especially we are not talking about only one kind of music. We have a lot of variety of music. We have rock, soft music, bands, etc. We have so many different kinds of music, so Latino people really like many kinds of music not only one… I think for me music reminds me where I am from and reminds me where I was when I first heard that song. Music also reminds me who I was with the good times and the bad times, and the people around me. So, I think that for me that was very important because like I said … it was obvious I can’t take all my friends with me every time I travel, but you know what, when I listen to the radio, I remember when I was with them or when I was with my family or when I was in school or when this happened, when that happened. [R1 BCE5 F]

Of course, that is why I am doing this festival, and I always you know…I have… I could be doing English you know because American culture has influenced me a
lot. I probably know more English music history than in Spanish, but I think it is built in my DNA. So, yeah, without a doubt. It is in me even though I haven’t played it in two or three years. I still love it and I feel it belongs to me. [U BCE4 M]

Culture forms who we are and is deeply embedded in our consciousness. Participants in this study strongly believed that their culture was deeply rooted inside of them regardless of where they were going. Thus, “cultural roots” could be one of the factors that impacted their entrepreneurial behavior. In addition, both rural and urban groups of BCEs indicated similar levels of impact that cultural roots had on their entrepreneurial ventures.

Research Question 2: How do BCEs in rural and urban areas of Iowa self-perceive their entrepreneurial traits and business motivation?

Personality and entrepreneurial traits. Participants were asked to describe their personality traits in regard to business decisions as a small business owner. When participants described their entrepreneurial traits, they mentioned:

“risk-taker,” [R2 BCE2 M, & U BCE1 F] “creative,” [R1 BCE3 F &, R1 BCE6 M] and “passion” [R2 BCE2 M, U BCE6 F, & U BCE7 F]. Participants explained these entrepreneurial traits as follows:

Confidence: Doing good thing make me feel good. I have more confidence in myself. When I just started my business, I was very worried…pessimistic…I didn’t think that I could do it, so I made a certain amount of cookies, but they were sold right away, so I feel very good myself… [U BCE2 F]
I have like a vision and a picture and when I see something, I will tell myself why can't I do this? I can do that or I can make this one! I don’t know. I just know I would do anything that I can picture myself doing. [U BCE6 F]

If I can’t find the materials here, I will always look for other places until I find the right material for the design. [R1 BCE3 F]

_Perseverance:_ Therefore, I am always trying and I know I can do it if I never quit!

For instance, when I first came to the US, I can’t even speak English at all, but now I can communicate with many people including my customers. I know my English is not good, but I know I am getting better and better each day because I never quit learning English each day. So, trying is what I am doing. I believe by keep trying, you will be surprised by how much you know and how much you have improved English in your life! [R1 BCE2 F]

_Risk-taker:_ I am a risk-taker. If I see something that is going to work out, not just for myself, but for the rest of my staff, and for the people, I am going to take it. You know, if you don’t risk it, you won’t get it! [R2 BCE2 M]

Like I said sometimes you’re making money, but sometimes you’re not making money in my business. But, you know business is like that. Every business has a risk! [U BCE2 F]

_Creative:_ I like to make many different cartoon character hats like cookie monster. This lady likes most of my crocheted hats, so every time when she comes to my place and she just can’t help to say that she likes all my hats. [R1 BCE3 F]
I think it depends, you know you can’t just concentrate on one thing when doing the radio. You have to have many ideas, be creative, make changes, and think out-of-the-box. You also wait for the unexpected because we have several needs here.

[R1 BCE6 M]

**Passion:** It made me start just because I love the music. My family always has music allover even they were just washing dishes or mopping the floor. We love music. We are happy with music you know it is our tradition. It is very beautiful to listen to music. I always love music anyway, you know. [R2 BCE2 M]

…when I do something, I will say to myself that I want to do it, I want to do it, I want to do it. Sometime it is not good for me about it, but I am still trying to do it.

[U BCE6 F]

I like crochet very much. I can get one child hat done in one and a half hour! [U BCE7 F]

Confidence, perseverance, risk-taker, creative, and passion were discussed by the participants when asked to describe their entrepreneurial personality; therefore, “personality or entrepreneurial traits” could be one of the factors that affected their entrepreneurial behavior. Overall, the following themes did not differ between urban and rural areas: “confidence,” “risk-taker,” and “passion”. However, themes like “perseverance” and “creative” were mentioned slightly more by BCEs in rural areas (n=6) than urban areas (n=2) of Iowa communities.

**Business motivation.** Participants were asked to describe what inspired them to begin their business. “Able to have control,” “learning experience,” “changing quality of
life,” and “feeling happy and satisfaction” were identified and grouped as sub-themes under business motivation.

**Able to have control.** Participants expressed that they wanted “to have control” in life. To have control in life means financial independence, more flexibility, being your own boss, feeling happy, and the ability to spend more time with family. For example, participants described:

I feel myself in control. I am really trying hard to do the best I can. I keep telling myself and I have to do it and now I finally do it and my business is growing and growing, so I know I can actually do it myself and I feel things are in control. We make our own hours. We get better pay and our own pay I guess. We can do whatever we want. [U BCE2 F]

Why I run a business? I wanted to be successful by doing something else. I don’t want to work for anybody else because I want to work for myself not for other people. I want to make my own money. I don’t want anybody to tell me what to do. That is why we want to have our own business. [U BCE7 F]

No, there is nothing I don’t like about it since these are the things that I like to do. I can be my own boss and I choose when I need to be with my kids. Also, I can be more financially independent. I am doing what I like to do! [R1 BCE2 F]

As your own boss, you have more control over your life. However, participants expressed that there was also the dilemma that participants could not have control when it came to business:

The worst part is doing this kind of work for a client who does not share my vision more or less. For example, I would do something more elegant and simple.
Esthetically, I don’t want things to be too busy looking and so when I was with the client I showed my elegant work with clean and simple style to my client, but the client said, “I don’t know. That doesn’t look very good.” It is because that is not the client’s vision and expectation. I just don’t understand why people want things to pile up on the table. Why do people want that? What is the difference between your culture and their culture? It is your vision. These people are from the countryside in Mexico and they have a different perspective of what it was supposed to look like. I came from a city, and we like things to look a little simple. [R2 BCE1 F]

Participants would like to take control of their lives, so they could have more time to spend with their family. Therefore, “to have control” was identified as one of the motivations that could drive participants’ entrepreneurial behavior. Furthermore, both rural and urban groups demonstrated strong similarities in business motivations with both indicating desire to have control over life.

Learning experience. Participants expressed that they were motivated to start their business by the opportunity for learning experience and by role models. For example, participants reflected:

For me this has been a learning experience because, even though I am sort of a news junkie, I didn’t know that you couldn’t just like pick up the newspaper and read it on the radio. It is plagiarizing this person’s work, so I learned… no, you can’t do that. You have to go out and do your own interviews. You have to go out and get your information and you have to verify that it is true! I will tell you another thing. R1 BCE6 M was very comfortable with the public and I was not. I
was the shy and quite one. R1 BCE6 M said that I can be in charge of the news. It means doing the interview, talking to people, so it was a very big challenge for me. At first, it was okay, but when I knew about these rules, and they kept telling me that you are going to be behind the radio. They said, “Nobody is going to see you, so don’t worry!” But then I realized that I was stuttering and repeating during the news broadcast, so…. hahaha… That you know… It helps me grow.

[R1 BCE5 F]

I started this small business just because of my hobby. My husband makes enough money to support the family. The other reason why I am selling here is that I want to teach my kids how to start a business or how to make money. [U BCE7 F]

As for another participant, his business enticement was a learning experience from an unexpected life change after moving from California to Iowa:

The music business here is not what I planned. I don’t really know what’s happened. It just happened you know. I moved to Iowa like I said something that I wasn’t expected to do and it just happened. [R2 BCE2 M]

Participants were also facing different challenges at different life stages. Thus, these challenges provided different “learning experience” and opportunities that could trigger participants’ innovative entrepreneurial behavior. Overall, Latino BCEs from both rural and urban areas expressed similar feelings regarding learning experience as a business incentive.

*Changing quality of life.* Having your own business provided chances to improve your quality of life. Participants revealed that those who had multiple jobs were striving for better living conditions for themselves and their family:
The meat plant job was not easy and safe because the knife is very sharp and when the machine was running too fast and out of our control. That was how we would be cut by the knife. My husband was cut himself many times and we think it is a very dangerous job. So, we decided to change it…The reason that we wanted to change from a worker to a restaurant business owner was because we think running a Mexican restaurant business is safer and easy for us! We need to eat every day, so at first I was preparing food in my house and sell it to my family members. But later on, my husband suggested that probably we could try to sell the Mexican food to other people who like Mexican food. [R1 BCE1 F]

I have three girls. In order to make a better life for us. I need to find another job, but I don’t want to leave my girls at home. I want to spend more time with my girls. If I had two jobs, I won’t have time for them. So, when I learned of Ana’s program. I see an opportunity that can help me to make more money as well as to stay with my girls. My Mexican cookie business came in just at a perfect time. [U BCE2 F]

Because I am thinking to my country, these people who are from my country have many kids. These family usually don’t have enough food to feed their kids and I think that is what I can help them with. At least, by providing a place for them to do business, these families are able to survive. [U BCE6 F]

BCEs believed that their small business could bring extra income and improve the quality of living of their family. These improvements included more quality time to spend with their family and enhanced participants’ living conditions. Hence, “changing quality of life” could be one of the factors that could have influenced bi-cultural entrepreneurial
traits. Overall, both groups of BCEs from rural and urban areas indicated a high degree of need to improve their quality of life.

*Feeling happy and satisfaction.* Participants expressed that feeling happy and satisfied were the greatest rewards and incentives of running a small business. These “feelings stemmed from their returning customers, helping community, and making participants feeling good.” For example, participants described:

I love music because it makes people happy and it makes me happy when I see everybody is happy. Music, I love it because it brings me many memories and it makes me think a lot like family, situation that I am going through and somebody is going through. You know, music cheers me up. [R2 BCE2 M]

Well, there are a couple of people just for me to see their smiling faces as people come and they go. They come back again, and they are smiling for what I am providing to them. It gives me great satisfaction and I know I am doing something good. I feel satisfied by what I am doing and they keep coming back that encourages me to continue what I am doing, I can see that they are happy. [R3 BCE1 F]

I would think that I like this place and this business because I like to help people. When people come and buy a cake and you can see her face has a lot of smiling about the cake that we made…That is part of the things that I am doing as a business because I really happy to see happy people. I am pretty happy doing what I am doing because pictures over there, I made them all myself. I take my time. Those prices on the cakes are very affordable. [U BCE3 M]
Feeling happy and content were essential to participants because it was gratifying for the participants. Therefore, “feeling happiness and satisfaction” could be one of the reasons that could have motivated the BCE entrepreneurial behavior. Overall, the Latino BCEs in both rural and urban groups expressed similarities regarding the feeling of happiness and satisfaction as essential to business motivation and success.

**Research Question 3: How do bi-cultural entrepreneurship and the development of cultural-creative industries (CCIs) differ in rural and urban areas of Iowa?**

Participants were asked to describe their business types and products that they sell in rural and urban areas of Iowa. All products or services sold were associated with their cultural background (see Table 4). Cultural-creative industries are specific cultural industries that generate tangible or intangible cultural heritage related products and services. These industries include creativity and individual cultural knowledge that embrace social and cultural meaning (Loy, 2009).

**Table 4. BCEs’ Cultural-Creative Industries (CCIs) in Rural and Urban Areas of Iowa**

<table>
<thead>
<tr>
<th>Rural</th>
<th>Urban</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mexican food restaurant</td>
<td>Quinceañera event planning (storefront)</td>
</tr>
<tr>
<td>Mexican home-based bakery</td>
<td>Mexican home-based bakery</td>
</tr>
<tr>
<td>Mexican handcrafts</td>
<td>Mexican pastray and food store</td>
</tr>
<tr>
<td>Tortillas product</td>
<td>Non-profit event planning</td>
</tr>
<tr>
<td>Latino radio service</td>
<td>Flea market planning</td>
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<tr>
<td>Latino radio DJ service</td>
<td>Flea market planning</td>
</tr>
<tr>
<td>Quinceañera event planning (home-based)</td>
<td>Mexican handcrafts</td>
</tr>
<tr>
<td>Latino and Mixed Music</td>
<td>Quinceañera event planning</td>
</tr>
<tr>
<td>Mexican drinks restaurant/bar</td>
<td>Mexican restaurant</td>
</tr>
<tr>
<td>Mexican pork restaurant</td>
<td>Latino radio station</td>
</tr>
</tbody>
</table>

The CCIs of participants in this study included diverse products (food and music) and services (event planner and radio host) that connected their life to their culture. When
they described how they started their businesses, participants mentioned that these CCIs are part of their culture:

I think because I am a Latino, because I grew up listening to Spanish music, I missed my music. That was one of the things that I missed when we moved to this community [R1 BCE5 F], you know, where is the music? It is just something… it was missing in my life and yeah, we used to get into a car and turn on the radio and listen to Spanish music. So, I started to question where did people get their news. Where do the people get the information? If these people do not speak English and you have an option of watching an English Channel on TV and a Spanish channel on TV. People normally choose, you know, the channel of the language they understand. So, it is good to have choices but to me the national channels, they will give you national news. They don’t give you community news, and I think when you have moved especially from one place to another, you want to know what is going on in this area. You want to know what is going on in your community, and that is important. [R1 BCE5 F]

Yes, it is our culture and the only thing we have to have in our meal is tortillas. [R1 BCE4 M]

Where I am living now doesn’t have people selling homemade Mexican cookies. I want to do something for people like me who like to eat real Mexican cookies, so I decided to start my home-based Mexican cookies business three months ago. [U BCE2 F]

BCE products and offerings were developed based on their cultural familiarity. These products influenced people deeply and existed in memories and lived experiences.
Therefore, these products were genuinely associated with the BCEs’ cultural heritage and became a tradition. Chong and Baez (2005) stated that traditional Latinos are very cooperative individuals who always seek happiness and avoid conflict. After arriving in the United States, many Latino immigrants have acculturated and adapted to their host culture subconsciously. Thus, Latino BCEs may modify and reinvent CCIs into products or services that better fit and serve the local market. Thus, the CCIs are recognized as cultural capital, encouraging community growth. For instance, participant R1 BCE1 F stated how they alter their products to meet the needs of their customer:

When my customer asks me to make them some special food, we will look at what we have first to decide if we can take this order because it is a special order. If we have the ingredients, we will try to make the food as the customer has requested. We just want to make customers happy and have them like the food. I think if we can satisfy what the customer wants, it is successful!

In addition, these offerings can be considered cultural capital (Flora & Flora, 2008) that encourage community growth and development. One event planner participant, U BCE4 M, stated, “We are just like other festivals. We have food vendors coming in and setting up their tents. We are renting them a spot, so these vendors are doing business by selling food. We are supporting them to come in.” With the support of cultural capital, the community benefits from bringing in more tourists who then stimulate local economic development. Overall, little difference was noted in the types of CCIs established by Latino BCEs in rural and urban areas of Iowa.
Research Question 4: What are the potential barriers and opportunities for BCEs in rural and urban areas of Iowa from the perspective of entrepreneurs and community leaders?

**Critical business needs.** All participants expressed their concerns about critical business needs for business enhancement. These issues that the BCEs are struggling with included “related training and educational program, and technology knowledge,” “more employees or help,” “business preparation,” and “money and financial assistance.”

**Related training and educational program, and technology knowledge.** Half of the participants only received high school or middle school level of education; therefore, they have very little business-related and technology education. Some participants expressed that they would like to attend business related classes to advance their business knowledge:

- Yes, maybe like financial or accounting classes to help my business. [U BCE2 F]
- I am taking some classes at DMACC. One of the classes is computer and I am also taking an English class at DMACC too… Nope. I don’t know how to do marketing and I don’t know what to do to improve the selling. [U BCE7 F]

However, participant R1 BCE4 M mentioned that he would like to take business related courses. However, time was an issue. He expressed that “I need help with the technology. But, I have two jobs, so…” Business knowledge and technology can be beneficial to small business owners. Overall, both groups expressed a high degree of need for their business in regard to training, educational programs, and technology.

**More employees or help.** The business operation process is not limited to just buying and selling. The operation flow takes many steps before the product is able to
reach to its customer. Therefore, participants need helpers to assist their businesses’
operation. Participant U BCE8 F expressed that was hard for her because “nobody is
helping me, especially when I get sick.” Participant U BCE2 F stated “If I am going to
sell my cookies there, I need to find out who will be my helpers because I can’t do it just
by myself. There are many things that I need to consider before I can sell cookies in
community festivals or events.”

Furthermore, finding help is not easy in the urban area of Iowa. U BCE9 F
illustrated that “it is hard to find people. The right people basically…Yeah, because Iowa
has a very low unemployment rate, so people can find jobs everywhere, so they can
switch jobs from day-to-day.” Getting good employees or helpers were important to the
participants for their business expansion. Therefore, “more employees or help” could be
one of the barriers to BCEs’ business growth. Overall, there was a slight difference when
comparing “more employees or help” in rural (n = 2) and urban (n=5) areas of Iowa
communities.

Business preparation. In this study, business preparation refers to getting things
ready before launching a business. This includes things related to business regulations,
business operation processes, and business management. The business regulations are
rules applying to small business owners before they launch their businesses. For instance,
participant U BCE2 F stated that “Before I started my business, I had asked many people
and they told me all I need is to pay $100 dollar to get a business permit.” Then if you are
a small food business you need a place to cook. Participant U BCE8 F expressed that “I
would think I need more space to work on my stuff like cooking. I can cook only so
much in my apartment, so I would like to have a central kitchen for food preparation.” As
for a home-based cookies business, participant U BCE2 F expressed that “we need to go to the health department and get a license before we can sell the cookies there.” As for a flea market event planner, a participant stated:

That would be what type of insurance I need to get. You need insurance for everything. That you need to make sure everything is insured. You need to buy insurance for the place, to secure the people who come in here, to secure the products that everybody (vendors) bring in in case anything happens. You need insurance just in case the foods go bad. You need something to cover. Everything!

[U BCE6 F]

However, the business preparation and operational challenges expressed by participants whose business focused on food was different. Getting supplies was challenging for these participants. Participant R3 BCE1 F expressed that “I think the most challenge is not having providers who can bring stuff from Chicago to Rural community 3…All of my produce. It is very challenging you know traveling to Chicago once a week. It is a challenge.” As for business promotion preparation, participant R2 BCE1 F claimed that “I would need space like a storefront, a window display to show people my work so people can see what I can do.” All preparation work takes time, money, and work, and they are all critical to business growth. Thus, “business preparation” could be one of the barriers that could have association with business development. Overall, both rural and urban groups of BCEs indicated similar views regarding the importance of business preparation before launching a business.

Money and financial assistance. One of biggest challenges for most of the BCE’s small businesses was money. Business start-ups require money (Ho throat & Champion,
2011). Participant R1 BCE2 F stated that “the most important is money. Without the money, you can’t do anything.” One of the main reasons businesses fail is lack of capital or financial assistance to continue to support the ongoing running of the business and business expansion. Participant U BCE7 F expressed that “I think I also need more money or to get a loan if I need to expend my business.” Other participants also agreed that money was critical because money paid off their bills. Participant U BCE8 F explained that “I need money to pay most of my supplies and cooking, and I don’t have extra money to get a car and go out of town.” All these common and important barriers were challenging to the business growth of the BCEs in rural and urban areas in Iowa.

“More employees or help” were mentioned during the interview. There was one participant who mentioned “more employees or help” in a rural area and five participants who mentioned this theme in the urban area of Iowa. One explanation for this rural/urban difference would be that BCEs in rural areas of Iowa communities had family members involved in their businesses to help them out, unlike the BCEs in the urban area who struggled more with the need for employees.

**Business goals and opportunities.** “Business goals and opportunities” were expressed by key themes: “develop and serve market niches,” “grow of customer base,” “business expansion,” “cultural interaction,” and “cultural retention.”

**Develop and serve market niches.** A great business opportunity comes from spotting a market niche to sell a unique product that has not been introduced to the market before. Participant U BCE10 M stated that “my wife opened a restaurant because we saw an opportunity in that area,” and a product that nobody can replicate has a market niche and becomes a competitive advantage for the business. Participant R1 BCE3 F
expressed that “I think my business is growing because nothing here is similar to my business in rural community 1. I only find it in Walmart, but they can’t custom make it for a customer.” Market niches provided great opportunities for participants who had innovative ideas and who maximized cultural products and seized a business opportunity to capture customer attention and encourage repeat customers. Overall, both rural and urban BCE groups indicated the significance of developing and serving market niches as an important business opportunity.

*Growth of customer base.* Participant U BCE8 F talked about her business experience. She said, “Yes, there is a change that I noticed. I have more Anglo customers that want me to decorate their birthday parties. They called me and asked me to help them to set up their parties.” In addition, another participant indicated that:

The good thing is when we started the business, the people come here for the first time, and then they become our regular customers…They said that they have tried many other Mexican restaurants even though they ordered the same food, but they like our food because it taste better and different. These people come back three to four times each week. [R1 BCE1 F]

A strong customer base also builds customer trust and satisfaction with the business owner. Participant U BCE1 F reported her experience with a satisfied customer. She said that “She [her customer] was really thankful, very happy, and her word-of-mouth keeps us also alive and her story she told many people and so people know they can count on us and trust us. We are going to come through.” Clientele was an important resource that fuels BCEs’ business expansion. Therefore, “growth of customer base” could be one of the opportunities that could positively impact BCEs’ business growth.
Overall, both rural and urban BCE groups stated a high degree of importance concerning growth of customer base for the Latino BCEs business in Iowa.

**Business expansion.** As participants were asked about their business development and expansion, participant R1 BCE4 M described that he had unstable sales at the early stage of his business, “There was a time when the plan was going through some down turn, so many people left and my sales went down, but now it is growing.” As for those BCEs who reach the mature stage of their businesses, participant R3 BCE2 M replied that “Yes, I am thinking to expand it.” When asked about their business goal or plan on their business expansion, participants talked about business expansion in relation to market growth, new location, business mission prospective, and building expansion. For instance, participant R2 BCE2 M expressed that “different venues means different clubs, different towns, which provide different business opportunities to take our music or band and perform in their place.” Another participant U BCE3 M explained that the important of getting a bigger space would benefit his business growth. He stated that “See, the thing is we don’t have a place to grow! We need to move to a better place for more room if we want to grow our business.” Looking for an ideal space for business was a challenge, but participant U BCE1 F had a different situation. She pointed out:

As far as expanding, I think we could probably go up (she means expanding the building to second or third floors) if people would let us because there is Quick Trip gas station next to our business and there is my cousin (a pastry business next to their business). I am sure they want to expand on here, and we sure want to expand. We just can’t go front or back, so if the city would let us. [U BCE1 F]
Novice BCEs also have their own business growth perspective. For example, participant R1 BCE2 F expressed that “My growth dream is to have finished establishment to sell the bread also to have three mobile units to help me to sell the bread. That will be my mission. I need about 10 years to reach these goals because I like to grow slowly.” However, some other participants viewed it differently. For example, one participant expressed:

I would say we are kind of like not interested in that. Most of the businesses when they opened up a store front without the support from the family and hands-on experience and money that generates from their net profit, would close down in two or three years. I would say because I am not interested. I don’t want to do business like McDonalds. I just want this place where I can help my customers or people around. Everyone is welcome here. Especially when they bring in business to us. [U BCE3 M]

Taking one’s own pace to grow their business and to make their business strong were fundamental for business expansion for the participants. Business expansion included tangible (building expansion) and intangible (market expansion) elements. Therefore, “business expansion” could be one of the opportunities that could have direct impact on business growth of BCEs. Overall, both rural and urban Iowa BCE groups mentioned the importance of developing opportunities for business expansion.

**Culture retention.** The other potential opportunity for BCEs launching their businesses was to bring their culture to the community where they currently live. Keeping traditional culture was important for many participants. They expressed:
Many of my customers are from Mexico and have been here for many years but never able to taste the homemade cookies for so long, so after launching my cookies business, I heard them say they can recall the taste of home now. My cookies reminds them about home where they’re coming from. [U BCE2 F]
The business of carnitos is a family business going back to the time of grandparents. My father also worked with carnitos in Mexico. Carnitos means swine or pork. I just want to bring the opportunity to here in rural community and to the people here. [R3 BCE2 M]
Like there is certain things are done, and they have to be done in that way! She wants to cater to her generation, which is very traditional. I try to modernize it…hahahah, so we bump heads sometimes, but I think it’s a good combination for both of us… Perhaps, I mean people still want to see the things they grew up with… Yes, and they want to keep it alive and so we try to offer that and sometimes I said, “Mom but we’re not in Mexico. You shouldn’t do it that way.” She said, “Well, this is what the people want, and that is what I am going to give them.” [U BCE1 F]
Because I know how my people behave, I know what they like, and I know what they really want especially in food, cakes, or breads, sweet breads. Our people don’t go and buy sweet bread anywhere. They just want to go where they know the people who make sweet bread like us more Mexican taste and traditional bread. [U BCE3 M]
Knowing a customer’s wants and needs is vital for business growth. These cultural products were connecting a customer’s memory to their culture. In addition, the
participants used these cultural products as a selling point to introduce and share their cultural products with their community. Therefore, “culture retention” could be a potential opportunity to benefit BCEs’ business growth. Both rural and urban BCE groups noted the importance of culture retention as a value-added aspect of their businesses.

**Culture interaction.** Cultural Creative Industries (CCIs) act as a powerful tool to bridge different cultures and bond a community together (Flora & Flora, 2008). When participants introduced their cultural products to their community for the first time, customer responded with surprise and delight. One participant reported:

> Yes, there is a change that I noticed. I have more Anglo customers that want me to decorate their birthday parties. They called me and asked me to help them to set up their parties. [U BCE8 F]

Culture interaction in this study refers to two or more different culture groups who were sharing or interacting with each other in a community. Cultural-creative products provided a chance for participants and the community to understand each other's culture and connect. Cultural interaction links people together through learning from each other. One participant expressed:

> Both cultures you know. I rather want both culture's people could do it together and I just do something Latino all the time. Sometimes when I say something, you know … I don’t know if you know “Lil Rob,” he is a Hispanic rapper in California. I brought him to Iowa a couple of times. Even though he is a bilingual himself, we tried to make it multicultural event stuff. We don’t want to have just Hispanic people. We want to have American, African, Asian, but sometimes it is
hard to communicate with different types of persons because I don’t have those connections. [R2 BCE2 M]

Through culture interaction, people build a strong connection that could benefit community development. A participant explained:

We see this growing is not only becoming the best Latin music festival in urban, but also within a couple of years being a festival that in the mid-west, so…from the Quad Cities to here, from Kansas City to here, Omaha to here, Minneapolis to here. Urban is a perfect place for us to call all those people. [U BCE4 M]

Culture interaction could become a new marketing strategy their businesses could employ to promote their business. This strategy could provide great business opportunities to local community’s business owners when people were in-town visiting for events or festivals. Thus, culture interaction could be one of the major opportunities to benefit the BCEs business development. Latino BCEs from both rural and urban areas expressed similar interest in incorporating culture into their business offerings and brand development.

Research Question 5: What are the contextual factors that help or hinder Iowa BCEs in sustaining and growing their businesses?

“Business resources that benefit growth” and “business practices that enhance performance” were two key themes that were identified to sustain and grow businesses of Iowa. However, “business challenges” was identified as a factor that hindered Iowa BCEs as they attempted to sustain and grow their business.

Business resources that benefit growth. “Workshops, classes, or training in business management,” “family networking,” and “formal and informal business
networks” were identified as key factors that help business growth. The sub-themes were determined when participants described resources they possessed or tried to acquire for their business success.

*Workshops, classes, or training in business management.* Participant R1 BCE4 M reported that “I don’t have a problem with the marketing because I took some business classes early. When I was living in Los Angeles, I took a 60 hour customer marketing and service course.” Prior related business knowledge is essential for small business owners. Other participants attended workshops that were offered by a non-profit business program Participant U BCE2 F reported that “This program sometimes offers some short classes for us as business owners… Like last week we talked about how to publicize our businesses. We talked about making a business card and giving it to people, things like that.” Workshops and classes are useful business resources that the BCEs benefit from. Other participants also recognized other valuable business resources that enhanced their business skills. For example, social media like “You Tube” [U BCE3 M] is another good approach. In addition, Participant U BCE3 M expressed that “I also watch videos online to learn the knowledge of buying property or opening up a business at other places.” Useful and valuable resources were one of the factors that encourage the participants’ business growth. Therefore, “workshops, classes, or training in business management” could be one of the factors that could help Iowa BCEs sustain and grow their businesses. Furthermore, there was not very much difference between rural and urban areas in the “workshops, classes, or training in business management” theme.

*Family networking.* Family networking was identified as a family support network that helped participants’ business. Participants expressed that “family
networking” was an important resource that could benefit their business growth. Participants detailed that “family networking” helped to share and connect informative resources between family members and participants. For example, participant U BCE1 F noted that “Raquel is my cousin on my father's side. People need a cake for their parties. She makes excellent cakes, so we put…we just put everybody in contact. We are the middle person.” Most participants agreed the family networking was incredibly important for business development during the interviews. Participants also mentioned that family networking assists them in many different ways from building customer relationship to finding business locations [U BCE6 F] because “family networking” is powerful and helpful. One participant stated:

Customer service has kept the business alive. My mother has a way of talking to people. I sometimes joke with her and said, “You should be a psychiatrist.” People come here, and they have talked to her about some of their most personal, those intimate issues that they are going through. I mean it’s incredible. It is really incredible! … My mother is an excellent sales person, and people trust her. People trust her so much like I said people talk about personal things with her and this is not a place that you will talk about personal things, so she is trusting people so…they will say, you know what, I will buy everything for my kids for Quinceñera from here. So, my mother and I will book the Limon and the hall. We have gotten their food. You name it. We are from A to Z. [U BCE1 F]

“Family networking” bridged and bonded people together and became one of the valuable business resources that could benefit business growth. Participants relied on their family networking to pull things together and resolve customer concerns, which led
to build trust in between customer and the business owner. Overall, the family network was equally important for both rural and urban BCEs.

*Formal and informal business networks.* “Formal and informal business networks” were also identified as one of the business resources that advanced business growth. “Formal and informal business networks” refers to communication methods that participants used to reach out to their customer or vendors. Formal business networks included social media [R3 BCE2 M], websites [U BCE4 M], non-profit organizations like micro finance organizations [U BCE8 F], Latino Affairs [U BCE10 M], the Chamber of Commerce [R3 BCE2 M], and business professionals from the Iowa State University Extension and Outreach Program [R1 BCE2 F]. These formal networks provided participants with very informative resources that helped BCEs in many ways. One participant described:

I am [also] on the commission of Latino Affairs, so I really care about my community at first. I try to find what the problems and then look for solutions for the problems. That is one of the things that keeps me here. So, I am always busy.

[U BCE10 M]

Participants described their relationships with their customers as “just like friends more than like customers” [U BCE7 F]. They believed a good relationship network was “treat[ing] them well, so in return, my customers also treat me well.” [R3 BCE2 M].

Informal business networks for the BCEs included clients, former co-workers, co-workers, and friends. Participant U BCE8 F expressed that “I know a lot of friends, and I have enough business that are introduced by my clients. I don’t participate in any festivals or events in town. People know me, but I never participate in any of the events.”
Participants believed that “formal and informal business networks” could be one of the business resources that support their businesses’ growth. Therefore, “formal and informal business networks” could be one of the opportunities that could have a direct impact on how Iowa BCEs sustain and grow their business. Furthermore, the Latino BCEs from both rural and urban groups expressed similar importance regarding formal and informal business networks to facilitate their business growth.

**Business practices that enhance performance.** “Business practices that enhance performance” was identified as another useful business resource that aided Iowa BCEs business growth. Sub-themes that were mentioned included “word-of-mouth promotion,” “customer satisfaction,” “prior business experience and knowledge in home country,” “creating sources of competitive advantage,” “choosing right marketing mix,” and “choosing and using right marketing tools.”

**Word-of-mouth promotion.** “Word-of-mouth promotion” was recognized as the most useful business practice for helping participants in their business growth. R1 BCE3 F agreed that “word-of-mouth promotion” was a powerful promotional tool. Another participant expressed that “word-of-mouth through friends and the friends’ friends” and another participant pointed out:

> When they [customers] are always happy with my performance and me, they always refer my business to other people. Every time when they refer us, they mentioned the person’s name whenever they are at party, then we will give them a discount for our service. [R2 BCE2 M]

“Word-of-mouth promotion” was by far the best promotional tool. If customers received good services or experience from the participants, they provided a positive
response or recommendation to their family and friends. Their positive word-of-mouth promotion could draw more customers to the business. Overall, very little difference was noted when comparing the “word-of-mouth promotion” theme in rural and urban areas.

Prior business experience and knowledge in home country. “Prior business experience and knowledge in home country” was identified as one of the contributions that encouraged participants’ business growth. Only a few participants had business-related experience when they were in their home country. For example, participant U BCE2 F explained he ran a home-based electrical supplier business in his home country. He stated that “Not in cake business, but… like I said, I studied electricity in Mexico. I have the electricity parts and place, so people can buy those things from my place in Mexico.” Some participants had work experience including helping with family businesses or running their own small in their home country. Participant U BCE 6 F described that “I like the business all the time because when I was little, I made clothes for toys and I was selling them to my friends.” Participants were able to reference their prior business interest or knowledge after they came to their host country. Therefore, “prior business experience and knowledge in home country” was recognized as one of the business practices that could have expedited the BCEs’ business growth. Overall, a marginal difference between BCEs from rural (n=5) and urban (n=8) areas was found in the “prior business experience and knowledge in home country” theme.

Creating sources of competitive advantage. “Creating sources of competitive advantage” was identified as one of the good business practices that impacted participants’ business growth. To differentiate their businesses, participants understood the importance of business uniqueness. Participants believed that “secret recipe and
different ingredients” [R1 BCE1 F], “good quality ingredients” [U BCE1 F], and “the skills and the knowledge that I gained when I was helping my father back in Mexico” [R3 BCE 2 M] were their competitive advantages. The “creating sources of competitive advantage” could set their business apart and help to sustain their businesses long-term. Therefore, “creating sources of competitive advantage” could affect participants’ business expansion. Moreover, both groups expressed very similar ideas about the essential value of creating sources of competitive advantage to create great business opportunity for Latino BCEs’ business growth in rural and urban areas of Iowa.

**Customer satisfaction.** “Customer satisfaction” was identified as one of the beneficial business practices in this study. Participants voiced that “customer satisfaction” included providing good customer services like “[letting] people try my product” [R1 BCE2 F], “feeling happy” with their products and services [R1 BCE3 F], providing good business experience [R2 BCE1 F], and building a good relationship with their customers. Participant U BCE2 F elaborated: “we have a very good relationship. We always call each other and talk like friends.” Participants U BCE8 F expressed that, “yes, because I provide very good service and my business hours are flexible, my clients like my service very much. Through the word-of-mouth, I have more non-Latino and Latino customers.”

In addition, participants proclaimed that “we always strive to make them happy. For example, they buy a dress and it doesn’t fit, we will do the alteration for free. So, they are happy with the dress they bought here” [U BCE1 F]. Customer fulfilment is a business owner’s success. Therefore, “customer satisfaction” could have contributed to participants’ business growth in this study. Overall, both groups were nearly identical on
the importance of customer fulfilment as a vital business practice that enhanced the Latino BCEs’ business development in rural and urban areas of Iowa.

Choosing the right marketing mix. “Choosing the right marketing mix” was identified as one of the important business practices in this study. Marketing mix consists of product, price, promotion, and place. Marketing mix is a foundation model in marketing (MaCarthy, 1964). Product is important to a business because without product, there is no business. Business owners should tailor the product to fit their market. Participant R1 BCE4 M expressed that “I have a lot of American customer because I also make flour tortillas. I make both flour and corn tortillas to meet my Latino and American customers’ need.”

Price was an issue for their business growth. Participant R2 BCE1 F expressed that “the people they just don’t appreciate how much time and effort it takes. They just care about the price is too high and want to bargain with me.” Whereas participant R1 BCE1 F expressed that “reasonable price with good product or services could gain more customer.”

Promotion aids to sell more products to their customers. Active and visual promotion could positively impact their customer. For instance, participants described their promotion approaches included giving away free samples to customers to try [R1 BCE1 F]; “hanging product pictures on their wall inside the store for customers to see as samples” [U BCE3 M]; “promoting business via marketing tools like a Spanish newspaper, social media, flyers, and Spanish radio stations” [U BCE1 F]; “doing a window display in a good location like a famous hotel” [R2 BCE1 F]; and “keeping the public and the community involved” [R2 BCE2 M].
Location is important for a business. Convenience and a good location drives business sales. Participant U BCE1 F described that “people come from as far as a two-hour drive, north, east, south, and west. They come from everywhere and just to come here for whatever things they need.” When asked which key factor sustained a participant’s business, participant U BCE3 M stated “location, location, location!”

Marketing mix is a helpful business practice that enhances business growth in this study. Thus, “choosing the right marketing mix” could be one of the business practices that could influence BCEs business development. Moreover, BCEs from both rural and urban areas attributed similar importance to choosing the right marketing mix for effective business performance.

**Choosing and using the right marketing tools.** “Choosing and using the right marketing tools” in this study refers to the techniques and tools adopted by participants who promote goods or services to their customers to enhance business growth. Participants reported that their marketing tools included phone [R1 BCE2 F], Hispanic newspaper [R1 BCE1 F], Hispanic radio station, television, social media applications [U BCE3 M], posters and flyers [U BCE6 F], websites [U BCE4 M], and texting messages to their customer [U BCE6 F]. Participant U BCE6 F expressed in order to reach his/her target customer, “we have our commercial tools in Spanish radio and Spanish newspaper, flyers, and posters. We are also trying to get advertising in the Anglo community using radio and their commercial media also.” A few participants reported that they did not use Spanish newspapers, television, and Spanish radio to advertise their business because “it is very expensive. We can’t afford it…we tried it. We got just a couple of customers.” [U BCE3 M]. Other participants like U BCE1 F and U BCE2 F claimed that they had limited
knowledge of marketing and were struggling with the proper way to incorporate social media into their business promotion strategies. In contrast, one participant noted:

I don’t think people who are using the Facebook are using it in the right way. Like sometime when you announce to people that you have cookies for sale, but these people are asking you something else not about the cookies. That is why I don’t use social media to promote my business now. [U BCE2 F]

Participant U BCE1 F explained that people who refused to employ social media for their business development were afraid of change and avoided trying new technology. One participant who was technology savvy shared his successful experience of integrating social media into his business:

Yes, we use Facebook, Twitter, Yelp. We have different websites. We rated 60 websites and we pay them to promote our businesses. We have advertised on Facebook, Google, Menu, etc. They do something called SEO (Search Engine Optimistic Station), so when people look for Mexican restaurants, our restaurant will come up in the first place. You have to pay a lot of money to make like Google when you look for best Mexican restaurant. To make our business on top, you have to invest time and money….Yeah, we make a lot of different platforms for different people to listen to our radio station. [U BCE10 M]

“Choosing and using the right marketing tools” was recognized as one of the business practices that could enhance business performance if used effectively. Thus, “choosing and using the right marketing tools” could have a positive effect on BCEs business development. Furthermore, Latino BCEs in both rural and urban groups expressed a high degree of need for choosing and using the right marketing tools.
**Business challenges.** “Business challenges” in this study refers to potential barriers that hinder participants’ business growth. These barriers included “lack of time management skills,” “uncontrollable issues,” “lack of supplies and facilities,” “heavy work responsibility,” “competitors,” “language barriers,” “Lack of business professional knowledge and resources,” and “lack of financial capital.”

**Lack of time management skills.** “Lack of time management skills” was highlighted by the participants during the interview. Many participants said that they were too busy because they lacked enough time. For example, participant U BCE1 F argued that “unfortunately, time is one of the factors. Like I said, I have my business and my mother doesn’t want to hire people outside the family.” Participants spent most of their time working their business or with family and children. In addition, one participant described:

> We have this kind of problem, you know. Sometimes we don’t have time to fill out taxes because our business is very time consuming. I am always falling behind my bookkeeping every three months; I need to file paper work for my business. When I don’t have time, I just can’t get things done on time [R1 BCE1 F]

Participant U BCE7 F explained she spent her mostly “time on travelling” to get supplies. Time was critical to BCEs; therefore, “lack of time management skills” could be one of the barriers that could impact BCEs’ business growth. In addition, both rural and urban BCE groups expressed similar levels of importance concerning lack of time management skills and their potential negative impact on business development.

**Uncontrollable issues.** “Uncontrollable issues” was selected as one of the factors that hindered participants’ business expansion. Participant R1 BCE1 F reported that her
landlord was her main uncontrollable issue. She stated:

It is hard for me. As I told you earlier, our landlord is going to sell this restaurant. Also, this place is very old, so there are many things that need to be fixed. The kitchen is actually very old and needs some work, but the owner didn’t want to fix it. I talked to the owner about the problem in the sink, but what I heard from him was he will provide the materials and he wanted us to fix the sink. Our landlord said that isn’t his responsibility to get it fixed. Another problem that we have was the kitchen tile. The inspector wanted us to replace new kitchen tiles since it is very old and dangerous, but the landlord said the same thing to us. He said he will bring the materials and we need to get the tile replaced. Our owner just doesn’t want to pay the labor cost. A little bit here and there, but our landlord just refuses to pay someone to fix the problems. We pay rent every month, but our landlord just did nothing. [R1 BCE1 F]

Another uncontrollable issue that was identified was immigration status. Participant U BCE8 F expressed that “I use work VISA and passport,” so she has to return home and renew her work VISA regularly. The other participant R1 BCE5 F disclosed that immigrant status was her biggest challenge before she became a U.S. citizen a few years ago. Immigrant status constrained participants who could not run their businesses regularly. Participant U BCE6 F discussed another uncontrollable barrier for a small business owner. She revealed:

I don’t like when the vendors don’t show up on my opening hours. I called them to confirm before I open the flea market, but by the time I arrive and open the business, they didn’t show up…I don’t know why they are doing that because I
am trying to …. I have 10 vendors if only five vendors show up, my customer will not stay longer. That is what I don’t like it. [U BCE6 F]

Participants feel stress and annoyance when dealing with overpowering issues. Therefore, “uncontrollable issues” were identified as one of the potential barriers that could impact small business growth. The issues were unpredictable and hard to resolve. In addition, very similar significant uncontrollable issues in relation to Latino BCEs’ business expansion were mentioned by Latino BCEs’ in rural and urban areas of Iowa.

**Lack of supplier and facilities.** “Lack of supplier and facilities” was selected as one of the potential barriers that hindered participants in this study. Participants disclosed that it was hard to buy supplies from their local community. Participant R3 BCE1 F described that she needs to travel to a more metropolitan area for her supplies and “they [the vendors] expect me to buy a certain large amount. Even though my business is growing, but I just don’t sell that much. If I store up more, I would need a lot of space for myself.” Participants claimed that they need bigger spaces and standard facilities to run their businesses. Participant U BCE8 F expressed that “I need more space to work on my stuff like cooking. I can cook only so much in my apartment, so I would like to have a central kitchen for food preparation.” An ideal cooking space was also important to participant U BCE2 F. She expressed:

I think the most thing that I struggle with is customer constraint. My customers are mostly Latino customer because the Anglo doesn’t trust the homemade cookies. Anglo customers want to know what ingredients you are using in the cookies and how you make these cookies, and the sanitary issues. The Anglo customers do not have trust pretty much! [U BCE2 F]
Participants felt discouraged when they could not find suppliers and facilities. Therefore, “lack of supplier and facilities” was determined as a hurdle that could impact participants. Getting this issue resolved could possibly help participants enhance their business growth. Overall, BCEs from both rural and urban areas expressed a high degree of need for suppliers and facilities.

**Heavy work responsibility.** “Heavy work responsibility” was determined to be another theme through this study’s interviews. Small business owners have a lot of job responsibility. For example, participants expressed:

The thing that I don’t like would be too much responsibility for me. Like making payments on time, a long buying list, scheduling working shifts, etc. Everything is very time consuming, and I have to take full responsibility for my business.

[R1 BCE1 F]

It is the work! I never knew it was so much work to take your life. It really does. Now, I really appreciate all those hard working people out there. They have their businesses. They have to get up early, go buy stuff, prep-stuff, know the hour to work, and many things. I really understand the pressure and how hard they are working, but until you are in their shoes, you will not realize it! Now, I realize it!

[R3 BCE1 F]

The small business owner always bears the most responsibility and wears the most hats in his/her business. Participants in this study also carried the same amount of job responsibility, worked under stress, and tried to meet all deadlines. Therefore, “heavy work responsibility” was identified as a business challenge that could greatly impact and hinder business growth. Furthermore, both BCE groups from rural and urban areas of
Iowa indicated heavy job responsibilities as a potential threat to their business development.

**Competitors.** “Competitors” was identified as one of the business barriers during the interviews. “Competitors” refers to a business rival in this study. Participants expressed that they were facing certain threats because the number of business competitors has been increasing due to more immigrants moving to their communities [U BCE8 F]. Participant U BCE9 F stated when “there is more Latinos coming. With them more entrepreneurs are coming. There will be more businesses open here. We will have more competitors!” Essentially, competitors were very prevalent and even included close friends. Indeed, participants stated:

Now my friend the other lady she is also running a flea market business and she learns from me because when I first started my flea market, I told the lady to come and see how I run a flea market and now she opens up a flea market. The vendors are the same. Because Urban is a small market and we don’t have too much vendors and my vendors now are going to her. [U BCE6 F]

I know these people go to other flea markets and shop there….I know they are doing something in the other flea markets to draw people to shop there…. Yes. The other event planners from other flea markets know to do other things or different things to get more people. It’s the planner’s job not the vendors! The people who shopped here told me about that. [U BCE7 F]

Participants were concerned about how their businesses could be threatened by competitors. They were worried about how new immigrants and friends could become their competitors. Therefore, “competitors” could be one of the challenges that could
directly impede their business growth. Overall, BCEs from both rural and urban groups identified competitors as a key challenge for their business development.

**Language barriers.** “Language barriers” was identified in this study during the interviews. Participants expressed that they were struggling with communication. Most participants were immigrants to the United States. Speaking fluent English was a challenge for them. Participants R2 BCE2 M reported that “like some time when I say something, people will misunderstand it by something else, and they will do something else.” The barrier caused them to be “afraid to express [himself] in English” [R3 BCE2 M] because he “feel[s] my English is very limited, so I am always speechless during the conversation.” [R3 BCE2 M]. A participant disclosed:

I came to America very young, so I don’t have the accent. I learn more the American way, but unlike myself, my mother, like I mentioned I run another business with my husband and we travel a lot, so when I am not available, my mother struggles sometimes reading correspondence from the state. You know, sometimes they have city meetings for changes and you know the Quick Trip gas station next to our store wanted to expand, so we need to attend a meeting, so I would have to represent her or set up this meeting and translate as the meetings are going on, so she can know what is going on. I feel that sometimes people don’t have somebody to translate, or if they do, sometimes their children are too young, and children can’t translate very probably. …I think sometime they are shy to ask for help. [U BCE1 F]
Language was a key barrier for these participants. Participants were trying to improve their communication skills through school [U BCE2 F] and family members like their children. Participant U BCE6 F explained that she learned English through her sons:

I just listen and try with my kids because my elder son who is 15 years old and fluent in English and Spanish. My elder son will talk to his brother, my second son in English. And I will ask them what are you saying and this is how I learn my English.

Participants who did not speak English fluently were afraid to practice with native speakers because they might “meet people who are not good or a nice one to ask and they said, ‘I don’t understand or I don’t know what you’re saying” [U BCE6 F]. Participants frequently panicked or worried about this. Indeed, they indicated that they were quite shy. “I keep telling myself and praying for God’s help. I need someone to help me” [U BCE6 F]. Participant U BCE6 F was feeling helpless and expressed:

I don’t know how to do and freaking out because I…Sometime, I am thinking because I don’t speak very good English and can’t communicate with the Anglo customer. I have tried to give away my business card to people and hope to reach out more Anglo vendors for my flea market. But, they see me as a Latino and can’t speak English very well, they turn me down by saying no to me.

Effective communication is vital to business owners. If a participant could not speak the language, they would have a communication problem. Therefore, “language barriers” could have a direct impact on their businesses’ growth. In addition, the findings indicated that Latino BCEs from both rural and urban areas viewed language barriers as a major challenge to their business operation in Iowa.
**Lack of business professional knowledge and resources.** “Lack of business professional knowledge and resources” was determined to be one of the challenges that participants faced. Several participants reported that they were “illiterate when it comes to computers [R3 BCE1 F], so when the tax season came, they “felt helpless” [R3 BCE1 F]. As for participants who learned the computer, they can “figure out [themselves] [U BCE4 M]. However, participants noticed lack of business professional knowledge was a constraint on business resources accessibility. These business related resources included “education, information, funds, and general markets” [U BCE4 M]. Furthermore, participants also “tried to approach someone, but never get response by this person. That is not really a rejection there. He just chose not to respond” [U BCE4 M]. Not getting a response from the resource contact person was not an issue to mature small businesses; however, it could be an issue for new ventures. Participant U BCE4 M stressed that “there is not enough information for new business owners to get information to start their businesses, especially for new Latino business owners.” Access to business information and resources were highlighted as being crucial for the new small business owner. Therefore, a “lack of business professional knowledge and resources” could be one of the business challenges that hinders their business’ sustainability and growth. Overall, equal need was expressed by rural and urban Iowa BCEs for greater access to business resources and professional assistance.

**Lack of financial capital.** “Lack of financial capital” was selected as one of the business barriers during the interviews. When asked what the main issue for their business development was, participants mostly responded that money was their biggest concern. Participants needed to get money from a loan or borrow it from someone [U
Most participants were immigrants and some of them did not have a “good credit history” [R1 BCE1 F]. Therefore, they had difficulty getting a bank loan. However, this participant revealed:

Yeah, I have spoken to Wells Fargo a couple of times about helping me expand my business, but every time I try to talk to them, I always get their rejection. I don’t know. They won’t give me a good answer or reason. They just said, “No.” I have a business proposal. There is supposedly a main person of the link if we were able to get a loan or stuff like that, but I spoke to my creditor. I spoke to the bank. My credit is good, but I just don’t know why. Well, the business plan … the business proposition was taken and told me where we were about and everything, but I just have a feeling that it was the person here in the same town in Rural community 2 who has tried to open a club. They went ahead and gave him the loan and everything, but he left the club alone. This guy didn’t see the income so he left the club and went bankrupt. So, the bank doesn’t want that to happen to them again, but to me if I want to get a loan for a car, I will pay for it. If I don’t pay it, they will take it away. The bank will keep the car. [R2 BCE2 M]

Financial issues could be a main concern to participants for their business start-up stage. Therefore, “lack of financial capital” could be one of the main business challenges that hinders their businesses’ growth. Both rural and urban BCEs indicated similar need for access to capital to start and grow their businesses in Iowa.
Research Question 6: Are Iowa BCEs both users and producers of community capitals?

**BCE community contributions.** “BCE community contributions” included perceptible and imperceptible contributions of BCEs to their community. Participants discussed their contributions mostly in regards to the following sub-themes: “feed the community,” “provide education,” “community support and giving back,” and “improve community life quality through business being in operation.”

**Feed the community.** The Latino BCEs saw themselves as human capital that offered their cultural capital (Flora & Flora, 2008) to “feed the community.” This sub-theme manifested itself in the following ways: keeping the customer warm during the wintertime [R1 BCE3 F]; making customers eat healthier and feel healthier, so they feel better and happier [R3 BCE1 F]; and helping vendors to become their own bosses, so they make more income to support their family [U BCE6 F]. Participants helped to feed the community in many different ways and their efforts contributed to building a better community. “Feed the community” could be one of contributions that demonstrated Iowa BCEs were both users and producers of community capitals.

**Provide education.** “Provide education” was selected as one of the contributions that the participants brought to their communities. This theme implied that the Latino BCEs as a social capital helped to bridge and bond the community to enhance their quality of life (Flora & Flora, 2008). Participants expressed that their products or service provided a learning experience in their culturally diverse communities. They introduced their culture in the form of food, music, handcrafts, and festivals. To assist the Latino community, participants noted the need for education. Therefore, Spanish radio stations
were used as an educational tool and community service [U BCE10 M]. Participant R1 BCE5 F expressed that “Yes, I think there are many people listening to our Spanish program… We also do have Spanish teachers from high school that will tell their students to listen to the show and listen to how they speak.” Participant R1 BCE6 M stated that “we learned that there are many Anglos learning Spanish through XX XXXX Latina [Spanish radio station]. Yeah, they told me they learn the Hispanic with me.” Participant U BCE10 also mentioned that their radio educational program included …a lot of radio shows that interview the leaders of the community like police, non-profit organizations, people who serve the community. We want to bring those opportunities that are out there and present those opportunities to the Latino community who listen to the radio station. Through the radio station, it makes the Latino get to know the community better… we started working with the leaders in the community. We invited Sandral Sun, a local charity. We also invited the police department, XXX-XXXX. He speaks Spanish, so we found people who speak Spanish. In case they don’t speak Spanish, we will find an interpreter and translate it for the speaker. [U BCE10 M]

Participants noticed the need of education to improve the community lifestyle. Therefore, they used radio as a community service tool to identify and connect people who needed the education (Flora & Flora, 2008). “Provide education” could be one of inputs that indicated that Iowa BCEs were both users and producers of community capitals. Overall, both rural and urban BCE groups indicated strong importance regarding the educational and cultural enrichment value provided by their business to the community.
Community support and giving back. “Community support and giving back” was considered another contribution made by Iowa BCEs. This theme also implied that the Latino BCEs were an important human capital resource (Flora & Flora, 2008). Most participants appreciated the ways their customers support their businesses so that their businesses were able to continue growing and be sustainably in the community. In return, participants wanted to do something to give back to the community and to those who needed help. Some of the work that participants had done included “organizing and planning activities for local festivals and events” [R1 BCE5 F]; “giving away free products during festivals or events” [R1 BCE4 M]; “lending free space for church and other fundraising initiatives” [U BCE1 F]; “volunteering to help people who need to retain their cultural knowledge and tradition” [R2 BCE1 F]; participating in festivals and events as a DJ for free [R1 BCE6 M]; supporting local festivals and events by offering discount coupons [R1 BCE1 F]; making free hats for cancer children [R1 BCE3 F]; giving free toys to children who cannot afford them at Christmas [R2 BCE2 M]; and founding non-profit charity networks to help people [R2 BCE2 M and U BCE 4 M]. Participants expressed that they wanted to improve the standard of living within the community since “the public helps us, so we are returning the help to those who need it. We are just giving back to the public.” [R2 BCE2 M]. Furthermore, one participant described that

We work with the neighbor for that, so we are planning to make a better place like the view, the colors… we are working to change the color in this community and to make it look brighter…hahaha…we are also working with the Chamber of Commerce or city manager about these projects too. [U BCE 10 M]
Participants appreciated the support of their communities in growing their business, and in return, they gave back to their community by promoting and participating in their communities’ activities. Therefore, participants were the users and the producers of community capitals (Flora & Flora, 2008). “Community support and giving back” exemplifies how Iowa BCEs were both users and producers of community capitals. Their business contributions, community support, and giving back were equally important to both rural and urban BCEs.

**Research Question 7: Who are the target markets for BCEs in rural and urban areas of Iowa?**

**Serving and growing target market.** Participants were interested in learning more about the consumers that they hoped to target. Knowing the target customer could help participants tailor their marketing efforts to best entice that target customer. Therefore, themes in this section could be helpful for participants to better understand their customer groups.

**In-group customers.** Participants discussed the “in-group customers” as one of the target markets. “In-group customers” refers to customers with the same ethnicity as the participant. Most participants expressed that their customers were mainly Latino, like “Hispanic food” [R1 BCE4 M]; but from different countries like Mexico, Guatemala, El Salvador, and all over Latin America [R1 BCE4 M]; and “they know the difference from handmade and mass production” [R1 BCE3 F]. Participant R3 BCE1 F explained that these in-group customers “know that they cannot get it nowhere else but here.”

Furthermore, participant U BCE2 F expressed that her customer bought from her because her products remind them their culture and family. For target market of cultural products,
in-group customer could be the target customer who could have the most interest in the participants’ products and services.

**Out-group customers.** “Out-group customers” means customer group is non-Latino. Participants described that they also had out-group customers patronizing their stores and buying products. These out-group customers included all ethnic groups [R3 BCE2 M]. However, participant R1 BCE1 F addressed that “my main customers are Anglo customer.” Participant R2 BCE2 M stated that “before it was just one Anglo customer that called me for our services and now it is like four or five in a year. I see it is increasing my business for other ethnic group customers.” Participant R1 BCE2 F described that “I don’t know who my buyers are selling to. As far as I know, most Latinos do not shop at Hy-Vee, so I would guess they are selling to Anglo customers.” Interestingly, participant R2 BCE1 F pointed out that out-group customers were more generous and appreciated her work more than in-group customers. Out-group customers could be one of the target markets that could contribute to participants’ businesses. Furthermore, BCEs from both rural and urban areas expressed similarly strong interest in serving in-group customers and also growing their out-group customer base.

**In-town customer.** “In-town customer” refers to the customer group that is coming from the same community as where the participant was doing business. The in-town customer category includes customers in the community who were in-group customers or out-group customers. “The whole community” and “in town” were two key terms participants mentioned frequently when describing their target customer during the interviews. Participants explained that their customers were mainly in-town customers that included “my family members and co-workers where I work” [U BCE2 F] and
“Latino and non-Latino groups in my community” [R3 BCE1 F]. Participant R1 BCE4 M stated that “I provide my product to different restaurants in town.” Therefore, in-town customers could be one of the target markets that could significantly impact participants’ businesses. Moreover, both rural and urban BCE groups expressed a high degree of the importance for growing and serving the local in-town customer in order to grow their business.

**Out-of-town customer.** “Out-of-town customer” means the customer group is coming from outside of the community. This out-of-town customer included customers who were in-group customers or out-group customers. Participants mentioned that we “have customers from out-of-town” like Davenport [R3 BCE1 F], Marshalltown, Des Moines, and Perry [R1 BCE4 M], Washington Columbus Junction, Burlington, Illinois, Quart City, Cedar Rapids, but mostly from Iowa [R3 BCE2 M]. Customers from out of state included the Quad Cities, Kansas City, Omaha, Minneapolis [U BCE4 M]. One participant stated:

> They will call me to check if I am open on the day before they come… They come here just for my store. I have customers coming from all around here. I also have customers from Columbus Junction, Iowa City, and Carroll. You name it. They are coming from everywhere around this neighborhood…Sometimes they come with family, but sometimes they come in a group with their friends. [R3 BCE1 F]

Participants had customers not only from out-of-town, but also from out-of-state. Therefore, “out-of-town customers” could be one of the target markets that could
influence participants’ businesses. Again, both rural and urban BCEs recognized the importance of growing and serving the out-of-town customer segment.

*Mixed group customers.* “Mixed group customers” refers to the customer group that includes Latino and non-Latino customers. Participants also mentioned that they have customers from Latino, non-Latino, and diverse cultural backgrounds [R3 BCE1 F]. Participant R1 BCE3 F described that “I sell my products to everyone who is interested in my craftwork. People like men, women, and kids from different ethnic groups. I also make for dogs. Hahaha…. my customers include animals too!” In addition, participant R1 BCE5 F explained that “we have many interracial couples; so many Latinos who are married to Anglos are coming too. So, it is hard to tell.” Participants identified mixed-group customers as their target group in addition to Latino and non-Latino people. Mixed-group customers could be one of the target markets that could affect participants’ business. Overall, the findings showed there was a slight distinction between rural (n=6) and urban (n=3) for targeting mixed-group customers.

**Research Question 8: How can BCEs impact economic development and create value in rural and urban Iowa communities?**

*Value creation to local economic development.* This study defined “value creation to local economic development” as the added value of bi-cultural entrepreneurship in communities in rural and urban areas of Iowa. Products and services inspired by culture and introduced by the participants to the community are known as cultural offerings or cultural capital (Flora & Flora, 2008). These cultural products could be helpful to create social capital in these communities and enhance their local economic
growth. Thus, themes in this section could be helpful for community and economic development.

**Social Stability.** “Social stability” was highlighted as one of the values that contributed to local economic growth. Participant R1 BCE4 M stated that he participates in the International Festival each year and gives away his products. The other participant R1 BCE1 F pointed out that she makes coupons and gives them away during festivals or events. People can get a discount when they go to her restaurant during the festivals. Another participant showed the significant contribution of her job as social capital to her community:

For instance, one of our biggest sponsors from the beginning is a credit union the bank because the Latino, you know they were just moving in Rural 1. Many people used to cash their checks but not saved it in a bank. The Latino people do not trust anybody with their money. When we came in and started working with the community the First Credit Union. They opened especially for us, you know, just for us on Sundays…they never opened the business on Sunday before that. But that day with us, we did a remote, and we did it with the bank. Just to give you an idea, the live show that they had in the mornings, from Mondays through Saturdays from 6 am to 8 am. If they do a live remote, they have 10 people showed up, and it was a good remote for the English live show. For us, the Latino live radio show, we had that remote; they had to schedule people to come back the following days because they had all the Latinos there to open a saving account and a checking account. We were there and promoting the bank business. We were there with the radio. We told them to come down to the bank, and we were telling
the Latino people what kind of promotion the bank was offering. The manager of the bank was so happy. He said, “Oh my gosh!” People kept coming in that day and the bank had to schedule their customers to come back in the next following days because the bank could not open up all of their customer accounts on that Sunday! I don’t remember how many accounts that were opened that day. So, since then, the bank works with us and does this kind of promotion more often. They don’t do it at the bank now, but when the bank has promotion, they invite us to go with them, so we can bring in more people. So, we work with that credit union a lot. [R1 BCE5 F]

Participants made best use of their cultural offerings to bridge and bond their communities. Participants also expressed that they “love” [U BCE3 M] the community and build a good relationship with local residents.” Participant R1 BCE1 F stated that “many people here know my name. We are just like friends.” Participant R1 BCE2 F expressed that “I am making sure we both win. They are always very happy to see me.” Furthermore, participants are not just business owners, but they are also cultural ambassadors to their communities. Indeed, participant U BCE3 M introduced his cultural products to the community. Thus, he created “a place that where people can come in, sit down, and enjoy food.” He liked to talk to the community about anything “when they come over here because I am always here.” He was also the “go-to-person” for advice because he knew many things like the location of hospitals, churches, or government offices. The coherent community provides a harmony and stable living environment that encourages more people to stay in the community (Boyne & Hall, 2004). Thus, “social stability” was considered a value creation of BCE that could have direct impact to
community development in rural and urban areas of Iowa communities. Moreover, both rural and urban BCEs viewed social stability as an important contribution of their businesses to community development in Iowa.

**Draw people to their communities and create a destination experience.** The “draw people to their communities and create a destination experience” sub-theme was discussed by a majority of participants in this study. Participants discussed the main contribution they brought to the community as tourists: “they see more people coming from out of town to around these areas” [U BCE3 M]. More customers or visitors to town means more business opportunities. Participant R3 BCE1 F expressed that “I see more people coming in because they stop over to see what I have in my store. They come in. I see more people coming into the town. That is a good thing.” Also, participants talked to some of their customers and asked them the reason why they came back to their flea market. The customers responded that “they like this environment,” “the stuff here is not too expensive,” and “their kids have a good time and they have a good time. They can eat and at least buy something. They enjoy it here” [U BCE6 F]. A welcoming and pleasurable shopping environment could draw customers back. Participants pointed out that cultural products and services drew the customer back:

I noticed when people came into my flea market, they said, “this is very good, we never had it in the past years.” The customers like it because they can find anything in my flea market like food, clothing, shoes, everything, and they said, “this is very good for the urban community.” [U BCE6 F]

I heard something from our customers that people tell them to come here. People will send people. They tell people to come to rural community 3 and try the
mango nada. It is news. They do comment on my product and I am so happy to hear that! I am impressed! [R3 BCE1 F]

Participants maximized their cultural products or services to create a unique shopping experience that could attract tourists and encourage them to stay longer and spend more time and money in their town (Kotler et al., 1993; Mykletun, 2013). For example, music festivals or cultural events provided by the community always drew people from both in town and out of town. A participant [U BCE4 M] stated:

I don’t think that we are just impacting the Latino scene or you know only the Latino community. I think as far as this event is going to add another flavor to the urban community, so we have people from Moline, IL. Some people are asking about the agenda and the details of the bands. I see some people are from Kansas City that are talking to each other, “hey, let us go to this event!” In Omaha, there are a few people are coming from Omaha. That is just the tip of the iceberg of what we are trying to accomplish, you know. It is going to take two or three more years. You know… I mean it’s hard to put it in numbers right now. But, eventually, you know we want to make an impact on the actual number in the community. There is going to be restaurants…we should have several hundred people walking around here so…hotels and restaurants need to be used during the time the festival takes places.

Participants employed their cultural economy as a destination marketing tool to increase local business opportunities in the festival area. Festivals and events may also help build place identity and a sense of belonging (Hill, 1988; Kotler et al., 1993; Jaeger & Mykletun, 2013). These activities are likely to enhance community identity and draw
more visitors to shop in the community. Therefore, “draw people to their communities and create a destination experience” could have a significant impact on economic development in communities in rural and urban areas of Iowa. In addition, both rural and urban BCEs thought that their cultural businesses contributed to community uniqueness and helped to draw more people to their town.

**Economic contribution.** “Economic contribution” was the most frequently discussed theme. Participants expressed that their businesses could have significant economic impact on their community. For example, participant R1 BCE2 F claimed that “I sell my bread to Hy-Vee in Rural community 1. I also bring a lot of money from other communities to rural community 1 because I sell bread to nearby states outlying communities.” Another participant reported:

> After launching my business in this community, other businesses have been affected by my business because they sell less. The business owners complain about me not in the direct way, but I heard from word-of-mouth. Other places may sell something similar to mine, but what makes us different is taste and the way I cook it. [R3 BCE2 M]

Participant U BCE6 F expressed that her contribution was facilitating other vendors to sell their products in her flea market. Other participants described that their products and services have also made contributions to economic development. For example, one participant expressed:

> Very common that people advertise on our radio station and they continue to advertise with us because they get more people coming to their stores and making more profit for their businesses. Therefore, more people and more money are
coming to local businesses and the businesses owners are paying more taxes and provide more job opportunities to this community. [U BCE 10 M]

There are direct and indirect economic impacts of BCEs on local development. Participants used their cultural offerings to not only increase state tax revenue, but also drive job employment rate up (Abdul Halim & Mat, 2010; Richards, 2011). Therefore, “economic contribution” could have a positive impact on economic development and create value in rural and urban areas of Iowa communities. Overall, both rural and urban Latino BCEs indicated similar views regarding the importance of their businesses’ economic contributions to the local community.

Based on the eight established research questions for this study, a summary comparison table of rural verses urban interview responses is provided in Table 5:

Table 5. Summary of Research Questions Regarding BCE Impact in Rural and Urban Areas of Iowa

<table>
<thead>
<tr>
<th>Research question</th>
<th>Rural</th>
<th>Urban</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. How does cultural background influence the entrepreneurial ventures and perception of Latino BCEs in rural and urban areas of Iowa?</td>
<td>• BCEs indicated that their businesses were inspired by their cultural background</td>
<td>• Same as rural BCEs, they expressed that cultural background plays a vital role in their business development</td>
</tr>
<tr>
<td>2. How do BCEs in rural and urban areas of Iowa self-perceive their entrepreneurial traits and business motivations?</td>
<td>• Perseverance, creative, customer satisfaction, and memory were mentioned slightly more by rural BCEs than urban BCEs</td>
<td>• Risk-taker, able to have control, and changing quality of life were stated slightly more by urban BCEs than rural BCEs</td>
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Table 5. (continued)

<table>
<thead>
<tr>
<th>Research question</th>
<th>Rural</th>
<th>Urban</th>
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<tbody>
<tr>
<td>3. How does bi-cultural entrepreneurship and the development of cultural-creative industries (CCIs) differ in rural and urban areas of Iowa?</td>
<td>• Refer to Table 4 for the development of CCIs</td>
<td>• Not much difference in cultural-creative offerings in urban vs. rural</td>
</tr>
<tr>
<td>4. What are the potential barriers and opportunities for BCEs in rural and urban areas of Iowa from the perspective of entrepreneurs and community leaders?</td>
<td>• Training &amp; related educational program and technology knowledge was mentioned slightly more by rural BCEs.</td>
<td>• More employees or needed help was stated more by urban BCEs than rural BCEs.</td>
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<tr>
<td></td>
<td>• Money and financial assistance was stated by many rural BCEs.</td>
<td>• Culture interaction and culture retention were mentioned slightly more in urban than rural area, and business expansion was cited more than by urban BCEs than rural BCEs.</td>
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<tr>
<td></td>
<td></td>
<td>• Money and financial assistance was indicated as a vital need by urban BCEs.</td>
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<tr>
<td>5. What are the contextual factors that help or hinder Iowa BCEs efforts to sustain and grow their businesses?</td>
<td>• Workshops, classes, or training on basic business management, word-on-mouth, and competitive advantage were stated more by rural BCEs as factors that benefit business growth.</td>
<td>• Marketing mix was mentioned as a big factor that helped their business growth in urban area.</td>
</tr>
<tr>
<td></td>
<td>• Lack of time management skills was mentioned slightly more as business challenges by rural BCEs</td>
<td>• Uncontrollable issues, heavy work responsibility, competitors, language barriers, lack of business professional knowledge, and lack of financial capital were indicated slightly more as business challenges by urban BCEs.</td>
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</table>
Table 5. (continued)

<table>
<thead>
<tr>
<th>Research question</th>
<th>Rural</th>
<th>Urban</th>
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<tbody>
<tr>
<td>6. Are Iowa BCEs both users and producers of community capitals?</td>
<td>Yes, rural Iowa BCEs were both users and producers of community capitals.</td>
<td>Yes, urban Iowa BCEs were both users and producers of community capitals.</td>
</tr>
<tr>
<td>7. Who are the target markets for BCEs in rural and urban areas of Iowa?</td>
<td>In-town customer, out-group customer, out of town customer, and mixed customer group were stated slight more as the target markets by rural BCEs than urban BCEs.</td>
<td>Urban BCEs indicated their target customer mostly in-group, in-town and out of town customer, besides mixed customer group.</td>
</tr>
<tr>
<td>8. How can BCEs impact economic development and create value in rural and urban Iowa communities?</td>
<td>Rural BCEs believed that they make the society more stable, draw people to town, besides rejuvenating the community and economic development impact.</td>
<td>Like rural BCEs, Urban BCEs illustrated the similar contributions that they brought to their community.</td>
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</table>

The above table illustrates relatively few differences between BCE impacts and experiences in rural and urban areas of Iowa. Themes that are not listed on the above table were considered equally important in rural and urban areas. Building on the findings, a Micro Theory of Stages of Iowa Latino BCE business development is next proposed and discussed.

**Micro Theory: Stages of Iowa BCE Business Development and Contributions to Economic and Community Development**

Based on findings from this study enriched by the community capitals perspective, a micro theory of BCE stages of development and contributions to economic...
and community development is proposed (see Figure 6). This micro theory consists of four different stages — early, emergent, established, and mature — that depict the timeline and process of BCE business development and community impact.

At the *early stage*, BCEs perceive a need in the market that triggers their business motivation. Having control in life, improving quality of life and feeling happy and satisfied are key motivating factors that spur development of culture-related business start-ups. In addition, the personality or entrepreneurial traits of BCEs and cultural influence also significantly impact stage one development.

Next is the *emergent stage* of business development. In this stage, the BCEs identified their business challenges, needs, goals, and opportunities for business development. Language barriers, lack of related business knowledge and skills, and financial support surfaced as factors that hindered BCEs’ business growth and human and financial capital development at the emergent stage. However, during this stage, BCEs also used cultural outputs to build social networks and relationships within the community, educated the next generation of family members about their culture-based business, and continuously grew their customer base.

In the *established stage*, to strengthen their business, BCEs recognized the importance of business resources and practices that benefitted their business development and sustainability. During this stage BCEs who focused on a sustainable business realized the need to fine tune business strategies and practices and continuously develop their customer base. Furthermore, integrating these useful business resources and good business practices, BCEs were able to expand their business to a broader market. In
return, they generated more financial capital to contribute to their communities’ economic development.

In the final *mature stage*, the offerings of BCEs resulted in the development and utilization of various community capitals. This included utilization of cultural capital to help foster built capital in the form of community and cultural destinations and events. In sum, at the mature stage, BCEs both used and created essential community capitals that contributed to business sustainability and built a dynamic and cohesive community.

In conclusion, community and business sustainability is of significant interest to many researchers, government officials, community leaders, and policy makers. This interest is fueled by community demographic change, changes in rural economies and agriculture, and the influx of new immigrant groups to rural areas. Therefore, the micro theory proposed in this study will help to explain the development and evolution of BCEs in rural and urban communities, their contributions to community resource development, and their role in community and economic development. The micro theory can also be used for identifying needs and gaps in areas of needed support for BCE business development.
Figure 6. Micro theory of stages of Iowa BCE business evolution and contributions to economic and community development
In this chapter, the findings of the BCEs were discussed and reported. Eleven main themes were utilized to answer and discuss each of the eight established research questions for the study. The next chapter provides a discussion of the findings from the community leaders and related emergent themes.
CHAPTER 5. COMMUNITY LEADER FINDINGS

This chapter discusses the results and findings from community leader focus groups in rural and urban Iowa communities. The focus group interviews addressed the following areas: (a) potential barriers and opportunities for BCEs, (b) community context factors that help or hinder Iowa BCEs in sustaining and growing their businesses, and (c) value that BCEs create in Iowa’s rural and urban communities.

This chapter consists of three sections. The first section begins with a brief description of the participants (community leaders) who contributed to the study. The second section covers key emergent themes from qualitative analysis and the definitions of themes. The last section includes findings and discussion related to research questions established for the study. These questions helped the researcher to understand community leader perspectives of BCEs contributions and issues related to local economic development.

Overview of Participants

Four focus groups of community leaders were recruited with the assistance of program leaders from the Iowa State University Extension and Outreach, Community and Economic Development Division, and The Iowa Center for Economic Success. Ten rural community leaders were identified and selected based on their knowledge of community matters and the BCEs impact on the local economic development. These community leaders were from the same rural and urban Iowa communities as the BCE participants. The focus groups were conducted in the same three rural and one urban communities in Iowa.
The community leader participants included both Latino and non-Latino representatives. As a result of their community knowledge, networking, and familiarity with the BCEs, all of these community leaders acted as gatekeepers for their communities. These community leader participants held the following positions: bank loan manager, city manager, small business owner, director of a small business program, director of the Chamber of Commerce, social entrepreneur, English language learning center coordinator, bilingual community development manager, experienced Latino entrepreneur, and community development specialist. The researcher analyzed the focus group transcripts for themes and sub-themes using the same approach as for the BCE interview data.

**Key Emergent Themes and Definitions of Themes**

The findings and discussion for this chapter are organized around key themes from the community leaders’ responses to selected research questions related to BCEs’ challenges and opportunities and community contributions. A qualitative thematic analysis was conducted for the combined set of four community leader focus groups. The method of analysis was identical to that used for the BCE interviews (see pages 72 through 75 for discussion of methods). Major themes and sub-themes that emerged from the community leader focus group analysis and their associated research questions are shown in Table 6.
Table 6. Research Questions and Emergent Themes and Sub-themes from Community Leader Focus Groups in Rural and Urban Areas of Iowa

<table>
<thead>
<tr>
<th>Research Questions</th>
<th>Major Themes</th>
<th>Sub-Themes</th>
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<tbody>
<tr>
<td>4. What are the potential barriers and opportunities for BCEs in rural and urban areas of Iowa from the perspective of entrepreneurs and community leaders?</td>
<td>• Problems Latino BCEs face</td>
<td>• Language barriers</td>
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<tr>
<td></td>
<td></td>
<td>• Labor and cost intensity of offerings</td>
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<td></td>
<td></td>
<td>• Lack of business capital</td>
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<td></td>
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<td>• Lack of business related education in marketing management</td>
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<td></td>
<td></td>
<td>• Lack of business professional support</td>
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<td></td>
<td></td>
<td>• Lack of knowledge of business regulations</td>
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<td></td>
<td></td>
<td>• Lack of business resources and resource accessibility</td>
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<tr>
<td>5. What are the contextual factors that help or hinder Iowa BCEs efforts to sustain and grow their businesses?</td>
<td>• Issues that impede Latino BCEs</td>
<td>• Competitors</td>
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<tr>
<td></td>
<td></td>
<td>• Lack of entrepreneurial mindset</td>
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<tr>
<td></td>
<td></td>
<td>• Quality of customer service</td>
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<tr>
<td></td>
<td></td>
<td>• Lack of vision and trust from the business community</td>
</tr>
<tr>
<td>8. How can BCEs impact economic development and create value in rural and urban Iowa communities?</td>
<td>• Community contributions of Latino BCEs</td>
<td>• Draw people to town; community as a destination</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Economic and community development</td>
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</table>

**Major Themes and Discussion of Findings from Community Leader Focus Groups**

This section discusses major findings concerning the contributions of BCEs to local economic development and opportunities and barriers for bi-cultural entrepreneurship from the community leader perspective. In this section, research
questions are addressed and illuminated through the analysis of focus group findings (see Table 6).

First, themes were identified in participants’ responses to open-ended questions from the focus group interviews. Quotes that supported the themes were identified and presented with designated number codes for the identifying sources, rather than actual community leader names. For example, R2 Leader1 MNL refers to rural community 1, Leader1 male non-Latino and U Leader1 FL means urban leader1 female Latino and so on. Major themes that emerged from the analysis of community leader focus group data were then structured by research questions established for the study. To better understand the contributions of Latino BCEs business issues and opportunities and their impact on local economic and community development, the researcher focused on the following research questions for the community leader focus group interviews.

**Research Question 4: What are the potential barriers and opportunities for BCEs in rural and urban areas of Iowa from the perspective of entrepreneurs and community leaders?**

**Problems Latino BCEs face.** This theme refers to potential barriers to BCEs’ business development in rural and urban Iowa communities. Participants mentioned most often problems that impeded BCEs including “language barriers,” “labor and cost intensive businesses,” “lack of business capital,” “lack of business related education in marketing management,” “lack of business professional support,” “lack of knowledge of business regulations,” and “lack of business resources and resource accessibility.” These challenges hinder the BCEs from moving forward and need to be resolved. At the community level, BCEs are a form of human capital and the cultural products offered are
cultural capital. In combination these forms of capital can aid in connecting community social groups (Flora & Flora, 2008). Addressing the stated problems can potentially have significant impact for both the BCEs’ businesses and for the economic and social well-being of the local community.

Language barriers. This theme was mentioned the most by community leader participants during the focus group interviews. Participants described how BCEs struggled with English and the ability to communicate with their clients and local residents. For example, participant R1 Leaders1 NL explained that the BCEs were mostly first generation immigrants and very conservative. “They are pretty shy and not likely to interact with others or seek help with English. They may take some English classes, but do not practice speaking English with their family at home” [R1 Leaders1 NL]. Most importantly, participant R3 Leader1 ML expressed that, in Iowa, all the official business documents from the state are only available in English. Therefore, the BCEs’ lack of English knowledge hindered their business development because they could not speak to their customers or read official documents. English is an important tool for communication. Participants also noted that if the BCEs could not speak English well, they would need to hire bilingual employees or rely on their children who were born and raised in the United States in order to provide better customer service. Participant R3 Leaders3 ML shared his experience as an immigrant when he just migrated to his current community. He stated, “In my case, I closed all avenues of Spanish in my life, and put everything in English. So, I have made some changes in my personal life to a degree that it isolates the rest of the Latino community, because I have changed so quickly.” In order to quickly adapt to his new lifestyle in his host country, the participant expressed that he
quit speaking Spanish. This forced him to practice English and immerse himself into the non-Latino community even more. Furthermore, R3 Leaders3 ML explained:

Fifty years ago, the school district was starting to teach the kids English and Spanish. To me, it was the beginning of another effort to be in the community, and with that I mean the kids get to know each other, Latinos and Anglos from a very early age, trying to be bilingual, and through language, they understand each other better and through language, you tend to…this is my political conclusion, you are about…you get to know the other better, so the other doesn’t have the prejudice to the new comer and so in long term, it disarms the possibility of the racist, the bigger threat. Because you are close friends and you yourself know the other language and get to understand each other better, so that builds a community.

Therefore, language was discussed as important not only for doing business, but also for building a better community. However, participant U Leader 2 FL offered a different point of view:

There is no attempt by the state government to help immigrants or to help non-English speakers or help people with lower educational levels… The state specifically doesn’t translate anything in [to] Spanish or in the other language… Those are big hurdles and that lack of knowledge or preparation can get people into a lot of trouble.

Language was explained as essential to many aspects of BCEs’ lives. Language could help BCEs communicate better with their clients and understand business documents. However, very few BCEs were willing to make changes to enhance their
English speaking skills. Therefore, “English barrier” could significantly impact BCEs’ business growth in Iowa.

**Labor and cost intensity of offerings.** “Labor and cost intensity of offerings” was selected as one of the key problems noted during the focus groups. Participants described that cultural products were often labor and cost intensive offerings and some bi-cultural businesses closed down because of this factor. For example, participant R2 Leaders1 M expressed that “restaurants are work, and the next generation doesn’t want to work 80 hours a week, so they make what they could make, working 30 hours somewhere else.” All food related businesses are labor intensive. Participant R1 Leaders 1 ML pointed out that a very good Mexican bread bakery had to close because the owner was sick and nobody could take over his/her business. Participant U Leader2 FL commented that most of the cultural handcrafts were not able to be produced in the United States because the labor cost was too high. She stated that “most of the handcrafts are made in developing countries and then imported to the United States.” Labor and cost are part of the production cost and play a critical role to BCE business profitability. Labor costs substantially impede BCEs growth and ability to sustain their businesses. Therefore, community leader participants believed that “labor and cost intensity of offerings” could be one of the major factors that impacted BCEs’ business growth.

**Lack of business capital.** A major problem that was discussed in the focus group interviews was the lack of access to capital. Business capital is essential for a company to be able to pay off short-term operating expenses. Community leaders expressed that most Latino immigrants sent money back to their home countries to assist other family members and used the rest for living expenses here. Even though BCEs have some
money saved, participant R1 Leader1 ML expressed that BCEs did not have extra money to “invest” in their business. “Because of regulations here, the amount of money you need to start a small business is much higher than you would need in other developing countries” [U Leader2 FL]. Business start-up requires business capital, but most of the BCEs just did not have enough money or other capital resources for business expansion. Therefore, participants believed that “lack of business capital” was a barrier that could have a direct impact on BCEs’ business development potential in both rural and urban areas of Iowa.

*Lack of business related education in marketing management.* “Limited business education, marketing, and management skills” was also identified as a problem that hinders BCE business growth. Participants expressed that most Iowa Latino BCEs lacked both basic educational skills and business knowledge. In order to get a business loan, a business plan is essential. However, participants pointed out that most BCEs did not know how to write a business plan. Participant R1 Leader1 ML expressed that BCEs also need help in marketing and other business management skills to enhance their performance and sustainability. Business marketing is important to sustain their business. Participant R3 Leaders3 ML stated that “constantly refreshing your ideas is essential when it comes to food.” Also, keeping your store front and interior clean and welcoming were as important as a clean kitchen. There was also an expressed need to raise the level of product quality to a higher level in the BCE businesses. Participant R3 Leaders3 ML stated:

BCEs in the restaurant business need to improve the quality of their service, well,
in comparison to the type of service they are accustomed to providing in Latin America and Mexico. For example, every weekend you could have a guitar player, music in the background rather than the recorded music. You have a live person there playing music and that puts ambience into the place. People feel better about it, you know. They are doing something more authentic. Owners also need to paint the business and make it attractive. Something that most…restaurants, I would say 90% of the Mexican restaurants, don’t do is any marketing. All they need to do is to invest forty dollars a month in marketing media or 10 dollars to put their names out for their business promotion. Word of mouth is working, but they can do better. [R3 Leaders3 ML]

Participant R3 Leader1 ML offered that most BCEs did not understand the importance of growing or promoting a business in their communities. He explained that the BCEs were able to “find a way to make a little bit of money, so [they] don’t have to work in a factory. That is great and [they] have the supplement of income, but they don’t know how to really make it grow and benefit from that idea even if they have a wonderful product, you know.” Participants believed that BCEs lack business knowledge and management experience. They might know some ways to operate their businesses. Somehow, they were just too conservative [R3 Leader1 ML]; therefore, their businesses are not able to grow and reach their full potential.

In addition, participant U Leader1 FL expressed that BCEs should be flexible when it comes to running a business, particularly the restaurant business. To help local residents adapt to these cultural offerings, BCEs might need to modify products so they would be welcomed and fit the tastes of the local market. Marketing and management
skills are important for business sustainability. Therefore, “business related education and marketing and management skills” could be one of the areas that could positively influence BCEs’ business growth. These sentiments were the same for community leaders from both rural and urban Iowa communities.

**Lack of business professional support.** “Lack of business professional support” was also identified as a key theme in the community leader focus groups. Business professional support included a wide range of areas such as filing taxes, applying for business permits, renting a physical store, creating business website, helping in writing a business plan, getting a loan, and connecting with other business related assistance.

Participant U Leader2 FL expressed that it was impossible to assist all of the BCEs in need because there were not enough sources of business professional assistance available. The business professional also has to be bilingual and speak fluently in both English and Spanish [R2 Leader4 MNL]. Their jobs were very much in demand in the community. The limited number of business professionals’ work as a team [R2 Leader3 MNL] to reach out to BCEs in different communities. One community leader participant stated:

> Like I said earlier, our online business license application and other business documents are in English version only. But now because of the help of R2 Leader4 MNL and R2 Leader4 FL, we had it translated into Spanish. Also, I know a lot more of the Latino business owners now through R2 Leader4 MNL as a resource and you know that is just work in that way, so when we all work together, who know what kinds of work we will end up with. That is definitely a team aspect and that is necessary. [R2 Leader3 MNL]

Agreeing with participant R2 Leader3 MNL, participant R2 Leader2 MNL stated...
that “yeah, I say for me it is the same thing. A lot of times when I need help with something I just call R2 Leader4 MNL and said, ‘this is what I need, make it happen’ because he knows the people…” Participant R2 Leader3 MNL explained that it is not easy to translate business documents into Spanish because it involves technical terms.

On the community side, participant R2 Leader2 MNL expressed that “we saw what we needed to do and then we just all worked well as a team together to make that happen.” Participant R2 Leader4 MNL expressed that their jobs are not just building relationships with the immigrants, but also translating during the permitting processes. “The permitting is complex and it is not always understandable in English, much less in Spanish” [R2 Leader4 MNL]. In addition, participant R2 Leader4 MNL explained that “you can’t get a state permit in Spanish. You can get a federal permit in multiple languages, but Iowa is an English only state. So, that means all of the official documents from the state are available only in English.”

Overall, working with BCEs seemed like a challenging, stressful, and time consuming job for many of the community leaders. Furthermore, there are not enough business professionals out there to meet the needs of BCEs. Therefore, the jobs of business professionals are even more complicated and challenging. Business assistance is very much in demand across the communities of Iowa, and “lack of business professional support” is a key hindrance for BCE business growth in both rural and urban areas.

**Lack of knowledge of business regulations.** Participants indicated that BCEs were consistently struggling with business regulations and did not understand the actual regulations they needed to follow. One participant, U Leader2 FL, reported that start-up costs are higher in Iowa than in other places. Participants also stated that BCEs struggled
with food regulations the most if they were operating a home-based food business. Participant R2 Leader3 MNL described that “they can’t make many foods at home anymore, so it is a very real struggle.” The selling location is determined by the regulations you need to follow. Participant R2 Leader4 MNL explained that “if you sell it at a farmers’ market, you can bake it at home, but if you don’t sell it in a farmers’ market, you can’t bake it at home.” The business regulations are confusing. However, to simplify the work and process, one community leader participant suggested:

We’ve been looking locally at a way to make a commercial kitchen. We just haven’t found a formula that is going to make a kitchen work. That is going to make it attractive to people who are currently cooking out of their home, to cook out of a certified kitchen, so they can sell legally and increase the business. [R2 Leader4 MNL]

In addition, one participant disclosed:

From the city side, we deal with liquor licenses and cigarette licenses, business stuff like that. The state has now taken all of those things online, so now they have a hard time, because that information is presented only in English. So, they have to come to us and we have to walk them through the process…. even we have a hard time with it. Sometimes what the state does for efficiency takes work off their desk and passes it down the line to our desk.

Kitchen and store sanitation and safety issues are as critical as kitchen facility requirements [R3 Leader3 ML]. Other stressful issues that participants were dealing with concerning BCEs was helping them to write a business plan, get a business loan, and filling out business documents (taxes, employees, social security, payments, etc.).
Participants stated that “If you really want to help those people (BCEs), you have to, you know, bear with them and work with them step by step for the full process.” However, participants noticed that BCEs sometimes withdrew during the process because “all the paper work they had to fill out…they just backed off! They don’t want to do it. It’s just because they don’t want to take the risk” [R2 Leader2 MNL].

To start a small business, BCEs have had to go through many steps, and all these steps were stressful and unfamiliar. Sometimes BCEs gave up too quickly without seeking business professional assistance. Therefore, the “lack of knowledge of business regulations” could be one of the factors that hinders BCEs business growth in rural and urban areas of Iowa.

**Lack of business resources and resource accessibility.** When asked, “What are some of the challenges in providing assistance to the BCEs,” participants noted that they were also struggling with “lack of potential business resources and resource access.” These valuable resources included business grant and funding opportunities, business financing, and workshops on writing business plans.

To encourage innovative entrepreneurs, the Community First Bank provides a start-up grant competition for immigrant BCEs who have an excellent, plausible and sustainable business plan. The winner receives $3,000 dollars in cash for their start-up funds [R1 Leader1 ML]. However, not many BCEs knew about this funding opportunity [R1 Leader1 ML]. Even though they learned about the opportunity, some BCEs did not give it a try because they lacked confidence in their writing skills or had limited knowledge of business marketing and limited retail experience [R3 Leader1 ML]. Business professionals were often the only contact person for BCEs. The business
professional helped the BCEs connect to individuals or organizations that could help them in business proposal writing [R1 Leader2 FL]. However, one participant indicated:

…like for example organizations that help business owners, we provide services in Spanish but we have very…limited staff that speak Spanish and resources that can be dedicated to that and then Gatekeeper 1, Gatekeeper 2, Gatekeeper 3 provide services in Spanish and that is it. There isn’t a single organization in the state that provides support for Latino business owners. Not one that I can think of. [U Leader2 FL]

The business start-up process for BCEs is complicated and time consuming. Most of the business documents and regulations are published only in English. Many BCEs have limited education and related business knowledge. With limited bilingual staff, it discourages BCEs to take action and seek further assistance with the business professionals in rural and urban areas of Iowa.

**Research Question 5: What are the contextual factors that help or hinder Iowa BCEs to sustain and grow their businesses?**

**Issues that hinder Latino BCEs.** Participants mentioned several issues that hindered BCEs including “competitors,” “lack of entrepreneurial mindset,” “quality of customer service,” and “lack of vision and trust from the business community.”

**Competitors.** “Competitors” was determined as one of the issues that hinders the Latino BCEs in Iowa communities. Rural participants stated that like other types of businesses, the challenge for small businesses in their communities was competition. One participant explained that “I think it is just for the small city, because we have bigger organizations like Walmart, Hy-Vee, somewhere they compete with the small businesses,
so they can’t grow. If the big stores have the products with lesser prices, you know, local businesses tend to fail” [R1 Leaders2 FL]. To assist these Latino BCEs, a right price strategy is important for business sustainability. Participant R1 Leaders2 FL stated that if “the price is higher” than the product would be “hard to sell.” Those customers who are price oriented would choose to purchase from a big box store like Walmart. Participants also expressed that distance to a place was also an issue to small business competitiveness. The participant indicated:

I would say another opportunity and a barrier is the proximity to XXX. And I think this goes to all, many of the retailers, both Anglo and Latino in rural community 2. It is hard for certain kinds of businesses to make it in this town because it is so close to XXX, like clothing stores. You would see multiple clothing stores that would sell Quinceañera dresses and cowboy boots, and accessories that people are making. None of that is available here because XXX is 40 minutes down the road and people can go and find the cheaper and a better selection at some of the well-known stores there. There was clothing store here for a while, right, XXX, but they couldn’t compete. [R2 Leader2 MNL]

In addition to price and distance, a Latino entrepreneur and community leader from an urban area revealed that another source of competition was native Spanish speaking residents. She indicated:
I think the bigger challenge that I have is the support of business community. Like I said before it is really hard to get my point across with a potential customer or client. Sometimes, my potential clients don’t hire me, instead they are hiring someone who is a native Spanish speaking resident. That is probably my bigger challenge. [U Leader1 FL]

“Competition” that can discouraged business development comes in many forms both inside and outside the community. Therefore, “competitors” could be a key issue that could directly impact BCEs’ business growth in rural and urban areas of Iowa communities.

_Lack of entrepreneurial mindset._ Lack of entrepreneurial mindset of BCEs was discussed as one of the issues that hindered the Latino business growth during the focus group interviews. Participants expressed that some BCEs were afraid of “failing” and “feeling insecurity” because they are afraid of “los[ing] money” and nobody had “the courage to lose” [R1 Leader1 ML]. Latino participants stated that this did happen and existed in the mind-set of the Latino BCE group. One Latino participant expressed:

Sometimes, we are very proud, but in the wrong way. Like an ego thing, right, like how I can do it myself. We are going to show to the world that we are tough! So, I think a lot of…you can see a lot of that was from Mexican businesses…from Latino businesses and again it is a lack of integration. They don’t like to ask for help. They don’t take advantage of grants. The community is so afraid of grants to grow your business. No, no, I don’t want to get in that because I can do it myself! I think a lot have to do with that. Ego, lack of vision, yah. [R3 Leader3 ML]
Interestingly, a participant from an urban area described the Latino group as “very independent and self-reliant” [U Leader2 FL] because their home countries did not traditionally provide help to business owners. Most of the help was from “their family or do it by yourself.” Furthermore, she expressed:

The entrepreneurship comes from our DNA. I think it is also important to have in mind that we are risk-takers. People who moved here have to take the bigger risk of life, which is moving to a new country and confronting and facing a lot of challenges, so when the business opportunities come, the ideas come from them and they are not afraid of taking the risks because those risks are much smaller than the first one that they are taken. [U Leader2 FL]

Participant U Leader2 FL also pointed out that small business was a stepping stone to increase household income, so “that person living in upper middle class type job would have less patience for a business. They will need to succeed more quickly because they want to increase their income.” Consequently, not all BCEs were willing to take a financial risk to expand their business because they lacked courage. Thus, “personality or demographic characteristics of BCEs” could be one of the issues that could have negative impact on BCEs’ business growth.

**Quality of customer service.** Participants stated that it is important for BCEs to improve their customer service. They suggested that BCEs did not understand the importance and need for good customer service. Participants explained that good customer service would draw your customers back for more. For example, one participant stated:
I learned that a lot of times, people come to your store because of the customer service. They like the way that you treat them, you know, even when your product is not so good. They will come because they like you. [R3 Leader1 ML]

It is common sense. For instance, the other day, I went to this restaurant. And the lady has another business on the side and they send money to Mexico and Central America. So, I sat there. Usually, you know, in three minutes you have a waiter there who puts a menu and water with cheese and salsa. She was very busy, and I said “In 15 minutes, I would walk away.” The other day, I came back, and she apologized. She said, “I am so sorry, we didn’t pay attention to you.” I said, “Well, you have to pay attention to do the best.” And do you know, what is making money for you? “The restaurant”, she said. Then pay more attention to your customer, I said. [R3 Leader3 ML]

Good service will keep customers coming back for more. Paying attention to in-store customers and calling your customers by name directly would make them feel welcome. Vital marketing and service strategies would help to improve BCEs’ business performance. Therefore, “quality of customer service” could be one of the issues that could have hindered BCEs’ business development in Iowa communities.

Lack of vision and trust from the business community. When asked, “How are BCEs doing when it comes to their future business plans” rural Latino community leaders expressed that the BCEs “seem to lack vision” for their business development. These BCEs were not flexible or open to change. For example, one participant stated:

I always wonder why don’t they make some donuts, let’s say, that would be deliberately for Anglos, or why don’t they partner with one of the coffee shops…I
would agree with what you said that they are maybe not open to new ideas. [R3
Leader1 ML]

On the other hand, participants from urban areas expressed that “trust” was one of
the big challenges that hindered Latino business growth. Experience told her that it was
hard to build a relationship between the larger business community and the Latino
business owners because the clients did not “trust” Latino owners. A community leader
participant expressed:

I have to prove myself several times even though I have a college education and
an education from here. I am bilingual and I am a minority business owner. I still
have to prove myself to them, you know in order to get those businesses or those
projects. That is the gigantic challenge…You couldn't say it better and that is
what I face every day. That is what I was telling you they don’t give you the
projects, because they think another American could be doing the same kinds of
things I am doing. [U Leader1 FL]

Vision and marketing strategies are both important for business growth. Vision
always comes first because marketing strategies are tools that expedite your vision. If you
have vision, but lack trust or support with your community, vision is just a vision.
Therefore, “lack of vision and trust from business community” could be one of the issues
that could have deterred Latino BCEs business expansion in Iowa.

**Research Question 8: How can BCEs impact economic development and create
value in rural and urban areas of Iowa communities?**

**Community Contributions of BCEs.** “Community contributions of BCEs” was
identified as a major theme during the focus groups in response to “What are the
contributions you have noticed from BCEs launching their business in your town.”

“Community contributions of BCEs” refers to the impact that BCEs brought to their community development. “Draw people to town; community as a destination,” and “economic and community enhancement” were two sub-themes were identified during the interview.

**Draw people to town; community as a destination.** Community leader participants expressed that the greatest impact of the BCEs was to draw tourists to town and make the community more of a destination. For example, participants explained:

Normally in September, we have a Latino festival in town. The one for this year is on September 17th. We normally do it on Main Street. They close that block and everybody is invited. Last year we had Americans and Africans attend. We had a different culture and they all got together. Hopefully this year, it’s actually going to get bigger because we had such a success last year. But, yeah, they want to be part of it and anything that we do, they are there. The whole community gets involved. This year, actually, they have like arts and crafts, when we do the Latino festival, we’re going to start with the painting craft or…so we are hopefully trying to get more non-Latino community residents involved. [R1 Leader2 FL]

Well, we have, I think we have for the last 20 years, a children's festival in town, and the children's festival part of the original idea was from my ex-wife, who happened to be an Anglo woman who is very fluent in Spanish. You know, she saw the possibility of this mixing and putting the community together through a children’s festival, so see the puppeteer and several artists playing music, going up
and down the street with drums and food and a lot of loud music, because Latinos are very loud and so that is one of the efforts. The other is, I think the Anglos have a good opportunity for tasting the closest thing to the original Mexican food and they embrace it. So, a lot of customers of these three or four Mexican restaurants are coming from the outside. Especially from Iowa City, and because it is a small town restaurant, you know, they are doing well. [R3 Leader3 ML]

Participants stressed that these tourists drove a few hours to their community just to try these cultural foods, patronize the festivals, and enjoy these unique culture experiences. Capitalizing cultural products and services as cultural capital not only attracted tourists, but also helped brand the community as a cultural destination (Hill, 1988; Jaeger & Mykletun, 2013) that benefits cultural economic development (O’Sullivan & Jackson, 2002). Furthermore, researchers have indicated the importance of place identity for community development. Place identity exists when a physical setting creates personal attachment to a place in connection with the environment and people; a place–people interaction (Hammit, Backlund, & Bixler, 2006; Jaeger & Mykletun, 2013). These place–people interactions generate environmental memories (Giuliani & Feldman, 1993) that create visitors’ memories to the place. Building on Flora and Flora’s (2008) community capitals, through the combination of BCEs business and community contributions, together with other capital resources such as human capital, cultural capital, and social capital, a new asset (built capital) is created for the community in the form of a cultural destination. Therefore “drawing people to town and transforming the community to a destination” could be one of the value creations that BCEs could have contributed to economic development in rural and urban areas of Iowa.
**Economic and Community Enhancement.** Participants expressed that other contributions of BCEs to their community included “economic impact and community enhancement.” Economic impact most often meant bringing in more income to support their family [R1 Leader2 FL], stimulating the growth of bi-cultural entrepreneurship, infusing local economic growth [R1 Leader1 ML], identifying useful community resources [R3 Leader3 ML], and generating economic value for cultural products and services [U Leader2 FL]. For example, participants expressed:

They bring their economic activities to the community and from that economic aspect even we have to consider that the population in all the states is…we are losing workers here in Iowa. Every year, it is worse and worse and worse. The immigrants bring to our community, you know, the activities … the workforces, so it’s good for everybody. It is good not only for the immigrants, but it’s good for everybody. It’s good for the community. That is the reason because the Mayor here and all the local leaders in rural community 1, they are really concerned about economic development to the immigrant, you know, trying to do whatever they can do for them because we are losing a lot of workforce every year. Because the younger people want to go to Chicago, to New York, to the big cities, big state, and we only have the older people staying here.

I think the Latino business owners contribute to our community specifically. For example, in the downtown area in rural community 1, it was terrible, but right now you can find in that area many Latino businesses around downtown and from the Legacy Foundation, they are investing a lot of money trying to recover the downtown area, so I think the contribution form the Latino owned business is
really important for the downtown, for the recovery of the downtown…the infrastructure, buildings, and the economic aspects at the same time. [R1 Leader1 ML]

I think that is a huge impact…I has been fun to see these businesses grow, but then also how they affect the community in…it is almost economic development. In fact, let says there is a tortilla or Mexican bakery or you know some good authentic restaurants, like XX, you are not going to find XX in many other towns. I mean that is a very unique business and I think it’s great. I mean not everyone appreciates it, but those will do. That is positive. [R3 Leader3 ML]

I mean, if those businesses are bringing more people and customers; they are paying taxes. They are contributing to the growth of this community, you know. And to the well-being of the community, a lot of money goes to the location and going back to the community. So, it is important to have more businesses. I know this is just focused on the Latino community, but whoever opens the business in the community and they are successful, brings more to the community, you know. [R3 Leader2 MNL]

I would say new energy has been infused into the economy…like more value to the local economy. [U Leader2 FL]

As for the impact of community enhancement, the participants expressed that the values brought by the BCEs included revitalizing the community, feeding the community, giving back to the community, integrating cultural diversity, bonding the community together, branding the community, and building a cohesive destination community. The BCEs affect “the whole community in a very positive way” [R2 Leader1
MNL] and “they bring a unique flavor to the town” [R3 Leader2 WM]. For example, participants illustrated:

I mean they bring life and diversity…again it goes back to housing opportunity here. They revitalize our community, the additional increase of Latinos brings life to the whole community…we have several Latino contractors in town who not only do work for themselves, but also work for other people. They will go buy houses from other people and remodel the houses and then either rent it out or sell it. I mean that makes the neighborhood look better and help to put nicer homes in the market. It is interesting when you see one house on a bad block, you know, get new paint or something, or a new window, that is kind of like a good disease that spreads out through the block in a positive way and makes other people think,” oh, I should probably paint my house, so is thing like that has really gotten in some of the more under serve neighborhood and help, revitalize those, so…It’s brought life back into the community. I mean we’re growing …a lot of other rural communities are definitely declining. [R2 Leader1 MNL].

Another participant expressed her insights of overall BCEs economic impact. These impacts included more job opportunities, increased state and federal tax revenues, and enhanced community property value. She stated:

I mean I would say employment, taxes. They often are located in the city center where property values are less and so they are bringing it back to the center. I think any business does the same thing that they do. Provide the same impact you know it doesn’t have to be a BCE business. But, I think those are the ones that are often overlooked in terms of their impact. [U Leader2 FL]
On the other hand, one participant pointed out the contributions of BCEs were varied.

The BCEs supported the community in many ways. He expressed:

The Latino businesses support Hispanics from Rural community 2 and the Latino festival through donations. When we do the XX event, some of the food were donated from our restaurant and by the grocery stores. So, that helps. That is their way of supporting the community. [R2 Leader2 MNL]

They sell something and they take their opportunity when this festival happens. They may not offer this product on a daily basis, but they see their opportunities to service their products when we provide the festival. Then it’s kind of a…like a town or a Chamber and Hispanic united event, providing opportunity for them also to provide their services during the festival because it’s something they don’t go to be doing every day. [R2 Leader3 MNL]

Participants argued that the BCEs brought to the community not just economic impact, but also rejuvenated community with diversity that helped build a more dynamic, coherent, and sustainable community. They commented:

One of the things that struck me is…there is not a lot of conflict in this town around Latino and Anglo relationships. It is pretty conflict free. There are issues but they are not hostile. [R2 Leaders2 MNL]

I don’t think there are challenges really… there are always people who have their own personal, you know, feeling about it, but nothing major. [R3 Leader2 MNL]

For me, the diversity and understanding each other … the immigrants bring to the community the diversity, [R1 Leader1 ML]
One unique thing that I have noticed in this community is like…a lot of people they go out for college but they come back. They come back to their own hometown, you know, it is like I know a few Hispanics who integrate to their community, they are bilingual and they went to college and they decided to come back, more than a few, you know, a large group. To me, that’s very interesting. It shows me that they have strong roots and they can make a difference because they can really help the community to grow regardless if they start a business or they work for the local government or the local businesses, you know. Even if they have to commute to go to work, they bring their money back to the community, so to me, that is very interesting. [R3 Leader2 MNL]

I think as a whole, thinking of big picture, in rural community 3 along with two other communities in Iowa. It is somewhat experimental, you know, infusing into culture, and I think we are doing well. People are respecting other ethnic groups. [R3 Leader3 ML]

In contrast, one participant pointed out one main concern he had about the Latino BCEs. He sensed some of the Latino BCEs were still removed from their community because they lack vision and refused to change. He indicated:

I think, integration. But, I think we can do more business wise to integrate our community. Especially a community like this one, you know. Quite frankly, I see a lot of work done by the Anglo community, trying to be a part, trying to integrate, trying to accommodate the Hispanic community, and I see a very small effort that is from the Hispanic community to absorb and take that help in a
positive way, you know, and to integrate themselves. It’s lack of vision that is what I can tell you. Yeah, it’s a lot of lack of vision. [R3 Leader1 ML]

Overall, participants believed the values that Latino BCEs embraced could not only refuel the economy, but also bring back and retain younger people in rural and urban communities of Iowa. Building on the community capitals perspective (Flora & Flora, 2008), the Latino BCEs were valuable assets that positively benefitted community and economic enhancement.

**Summary Comparison of Findings from BCE and Community Leader Interviews**

In this study, community leader focus group findings were cross-examined and triangulated with BCE interview findings for research questions four, five, and eight. A summary table (see Appendix G) provides an overview of the similarities and differences between the Latino BCEs and community leaders’ findings concerning BCE business barriers, needs, opportunities, and community and economic contributions.

Overall, the findings of community leaders were relatively consistent with findings of the Latino BCEs. However, two distinct aspects were mentioned by the community leaders that were unique from the Latino BCE responses. Four issues that hindered Iowa Latino BCEs were competitors, lack of entrepreneurial mindset, the quality of customer service, lack of vision, and trust. The Latino BCEs were not open to the community and did not have trust in the community. The community leaders mentioned that the Latino BCEs could improve their quality of customer service to better serve their customer base. In addition, lack of vision and leadership negatively impacted BCE business development, along with lack of trust within the local business community.
To counter these shortcomings, Latino BCEs must be more open minded and engage more with their communities. Utilizing findings from the community leader focus group interviews, together with the overall findings of this study, the next chapter provides a summary of the research findings. Implications and limitations are discussed. As a conclusion, several prospective future research areas resulting from this study are presented.
CHAPTER 6. DISCUSSION AND CONCLUSIONS

Overview

The purpose of this study was to analyze the opportunities and challenges that face Latino bi-cultural entrepreneurs and these opportunities and challenges potential impact on economic development in rural and urban communities of Iowa. This qualitative study was designed to understand Latino bi-cultural entrepreneurship from both business owner and community leader perspectives. Another aim of the research was to identify resources (capitals) that Iowa Latino BCEs could leverage to enhance their business performance and community economic development.

Capitals in the community capitals framework (Flora & Flora, 2008) refers to any form of assets that generate additional resources within the community setting, and includes the following categories: cultural capital, human capital, social capital, built capital, natural capital, financial capital, and political capital. When resources are identified and maximized they are converted into these capitals (Flora, Flora, & Fey, 2004). These resources can then be invested in and utilized for community growth and sustainability. To date, no research has been conducted on the economic and community contributions of Latino bi-cultural entrepreneurs concerning cultural-creative industries and their impact on community capitals (Flora & Flora, 2008). These factors make the study distinctive within the entrepreneurship literature.

In the first section, responses of the community leaders are integrated to triangulate findings concerning BCEs and their impact on community and economic development. The community capitals framework (Flora & Flora, 2008) provides the theoretical perspective for the findings and aids in formulation of implications and
recommendations. The second section provides a summary of the BCE sample’s personal and business demographics, followed by a discussion and conclusions regarding the final established research questions. The third section discusses potential future research directions. Finally, the limitations of the study are presented.

**Discussion of Research Questions**

In this study, the researcher interviewed 10 rural Latino BCEs and 10 urban Latino BCEs from Iowa communities. The findings revealed that well established Latino BCEs (those who have operated their businesses for 10 years or more) generally have access to business capital through bank loans or other sources. In contrast, younger BCEs often struggled to obtain adequate financing. However, Latino BCEs had less access to financial resources than originally expected or supposed regardless of if they are in rural or urban areas in Iowa. Indeed, the researcher expected BCEs in the urban area to have more access to financial assets because of the greater number of funding agencies and organizations. For example, organizations A and B exist only in the one urban area evaluated by this study. Organization A aims to jump-start Latino BCEs by providing them with a small amount of money to launch new business ideas. Organization B offers micro-lending and credit counseling to women and minorities. Therefore, one would posit that organizations like A and B, unique to the urban community, would have contributed more significantly to the urban BCEs financial assets, creating a larger gap between urban and rural BCEs financial capabilities. Interestingly, this was not the case as no significant difference was found between the two groups’ financial capital.

The community capitals are widely acknowledged as a means for developing valuable resources for positive community change (Emery et al., 2006). In the present
study, these valuable resources were identified as human capital, cultural capital, social capital, political capital, financial capital, and built capital. The capitals are integrated below into discussion of findings concerning the major research questions for the study.

In addition to the community capitals perspective, Hofstede’s (1980, 2001, & 2011) cultural dimensions provide explanatory insight for the findings of this study. Hofstede revealed that culture embraces individual practices and values, thereby influencing a range of economic and business managerial behaviors for entrepreneurs. In this study, the Latino cultural background significantly affected the participants’ business start-up phase and mindset regarding entrepreneurship. Hofstede (2003 & 2004) stated that Latino groups are from collectivist societies and family-oriented (Long, 2013). Collectivist societies foster strong personal relationships and take responsibility for their members (Hofstede 2003 & 2004). Family, friends, and cultural roots were associated with the BCEs’ attitudes and goal setting of their business start-up. In addition, Hofstede (2003 & 2004) indicated that along with all Latinos, Mexicans are high in uncertainty avoidance. Uncertainty avoidance refers to a low level of tolerance for uncertainty and individuals who scored high in uncertainty avoidance tend to be less willing to change and take risks. This is consistent with the finding of BCEs and community leader. Factors such as lack of entrepreneurial mindset and vision and trust from the business community greatly impeded BCE business development. In addition, this present finding also supports the result of Canedo, et al. (2014) that cultural values, education and skills, and social networks effected Latino entrepreneurial behavior. Issues such as lack of business professional knowledge and resources encumbered BCEs’ business performance.
BCE participants in this study expressed that it was important to keep their cultural roots alive. Overall, the Iowa Latino BCEs were more conservative individuals who liked to keep their culture and tradition pure and to pass it on to the next generation. Therefore, their entrepreneurial efforts typically had two goals: 1) to make a living and 2) educate and serve the next generation as well as the community. Because of cultural uniqueness, knowledge of tradition, and authentic skills and products, BCEs noted that their background provided them with innovative business ideas that native entrepreneurs were not able to easily copy. These distinguishing features were protected by participants as a “secret recipe” that they did not share with outsiders. However, while this mindset created potential competitive advantages on one hand, it also may have lead some Latino BCEs to be overly cautious and afraid to open up their business to out-group people including employees and customers. This behavior corresponds with the findings of Hofstede’s culture dimensions for Latino groups (2003 & 2004). Thus, BCEs may need guidance on how they can use their distinctiveness and cultural capital to build bridges with other community segments, form more relational social capital, and enhance their business performance.

Entrepreneurial traits significantly influenced the BCE participants’ entrepreneurial behavior. Entrepreneurship research has recognized a number of entrepreneurial traits that motivate entrepreneurial behavior. Self-confidence has been found to be positively related to motivation and entrepreneurial behavior (Block, 1995; Caird, 1993; Ciavarella, Buchholtz, Riordan, Gatewood, & Stokes, 2004; Costa & McCrae, 1992; De Raad, 2000; De Pillis, & Reardon, 2007; Littunen, 2000; Lounsbury, Smith, Levy, Leong, & Gibson, 2010; Segal, Borgia, & Schoenfeld, 2005; Tibbits, 1979).
Participants in this study expressed that they valued themselves (self-confidence), had passion for their culture, and possessed the drive to succeed in business by creating culture based offerings. These findings are consistent with other literature that identified these and similar motives for engaging in entrepreneurial ventures (Baum & Locke, 2004; Bodvarson & Van den Berg, 2009; Loacke & Baum, 2007; MacMillan, Siegel, & Subba Narasimha, 1985; Timmons, 1989).

When asked to describe their business decision-making, less than half of the BCE participants indicated that they were willing to take risks but in a cautious way. The BCEs often had another job to secure their income; therefore, did not solely rely on their cultural businesses. This trait is observable initially in the BCEs immigration to the United States. This also aligns with previous research that has shown that culture impacts perceived entrepreneurial potential (Babb & Babb, 1992; Begley & Boyd, 1987). In addition, more participants mentioned that they were perseverant and creative when it came to problem solving for their businesses. Interestingly, rural BCE participants in this study were more likely to seek business professionals’ assistance because they are a prominent part of their close-knit, small town communities. Clearly, development of social capital is an important facilitator of community relationships and BCE willingness to seek assistance. In addition to seeking resources, creativity was one of the entrepreneurial traits noted as having the most significant influence on Latino BCEs’ business behavior. This result is consistent with Amabile’s (1998) assertion that creativity is important to the effective development of entrepreneurial ventures.

Additional factors that fueled BCE business development were their perceived benefits of business ownership and individual motivation. Participants were positively
motivated by the benefits of being an entrepreneur including the ability to have control, the chance to learn new things, a higher quality of life, and more happiness and satisfaction. They mentioned the importance of inner drive and determination that motivates their entrepreneurial behavior. This finding aligns with the discovery that the need for achievement in the internal locus of control is related to entrepreneurial success (Chattopadhyay & Ghosh, 2002; Diaz & Rodriguez, 2003; Kroeck, Bullough, & Reynolds, 2010; Lumpkin, 1985; Pandey & Tewary, 1979; Rauch & Frese, 2000; Schiebel, 2005). Overall, the entrepreneurial traits of Latino BCEs reflect strong contributions to the formation of human capital, social capital, and built capital. Their business motivation and entrepreneurial traits drive business entrepreneurship, which not only contribute to job market growth and tax revenues (financial capital), but also to introducing their culture to the community and bonding people together (social and cultural capital).

Culture and the progression of cultural-creative industries (CCIs) were found to be equally important to BCEs in rural and urban areas of Iowa. Culture is a shared pattern of behaviors and interactions among a group of people through the practice of socialization. Hofstede (1994) stated that culture exists in individuals’ minds and shapes who they are and how they behave (Heine, 2008). Participants in this study were mostly first generation Latino immigrants between 21 and 61 years of age. They brought their culture from their home countries and used it to create cultural products and services that contribute to development of cultural, social, and financial capital in their local communities.
This finding is significant, as Florida’s (2002) seminal work on the creative class focused solely on urban communities. Florida (2002) expressed that CCIs are derived from entrepreneurs’ culture and experience and that the outputs of culture based creativity form the creative economy and creative industries. Florida focused mainly on what he defined as the creative class, including a super-creative core and creative professionals in urban areas on the east and west coasts of the United States. These creative individuals are professionals, highly educated in science, engineering, education, computer programming (Florida, 2002). These creative individuals are also knowledge-based workers, artists, designers, and media workers (Florida 2002). However, in this study the creative economy in rural and urban Iowa communities reflected a different view than that presented in Florida’s study. The creative class in the present study was comprised of people from other cultures. These entrepreneurs focused on CCIs and culturally distinct products (e.g. food, baked goods and pastries, handcrafts, and music), and services (e.g. Spanish radio host, festival and event planning) (Chen, Wang, & Sun, 2012; Galloway & Dunlop, 2007; Varbanova, 2006). Primarily, these CCIs, products, and services were derived from the BCEs’ immigrant cultural backgrounds. Therefore, these BCEs are a new version of the creative class who knows how to provide these distinctive products, services, and experiences to sustain themselves with their intelligence. This study therefore extends the understanding of the creative class, incorporating cultural heritage for CCIs, together with a unique perspective from the Midwestern United States and non-urban community contexts.
In addition, food and cultural event planning are two new CCI segments that were not included in the previous study of creative class individuals by the National Endowment for Science, Technology and the Art (Alliance Sector Skills Councils, 2011). Findings of the present study align with Ellmeier’s research (2003) on Latino BCEs. Bicultural entrepreneurs are providers of products and services in a skilled cultural-related field (Ellmeier, 2003). Of the 20 BCEs in this study, 10 were high school graduates or received some high school education, eight were middle school graduates or received some middle school education, and only two participants had graduated from college. Yet the Latino BCEs were enthusiastic, multi-skilled, flexible, determined, and independent small business owners that were inspired by their cultural heritage and entrepreneurial spirit. This suggests that a broader conceptualization of creative class and industries needs to be taken into account when applying the creative economy to small and rural communities. Thus, the composition of CCIs in this study may look different due the inclusion of rural communities and Latino BCE small businesses.

The CCIs in this study exhibited no difference between rural and urban areas of Iowa, but all CCIs provided some degree of economic contribution to their communities. However, the outputs of the CCIs found in Iowa communities for this study can be considered as intangible, but important assets (McDonald, 2017) in the form of community capitals including cultural capital, social capital, and built capital (Flora & Flora, 2008). The CCIs themselves are cultural capital. However, CCIs are objects that are used to bridge cultures, bond the community together, and contribute to the community’s brand. Therefore, the CCIs are sources of cultural capital, social capital, and built capital. The BCEs, their employees, and family members are sources of human
capital (Flora & Flora, 2008). Nonetheless, findings of the present study suggest that BCEs are rich contributors to Iowa community and economic development through a range of community capitals including cultural, social, and financial capital.

BCE participants from both rural and urban Iowa communities were hindered by a lack of many critical business resources including: business training and educational programs, technology know-how, the English language, the adequate number of qualified employees, business start-up assistance, and access to financial capital and assistance. These shortcomings mirror findings from previous studies of cultural workers (Cytron, 2007; Hotho & Champion, 2011; O’Connor, 2000), besides the reports of challenges of Latino entrepreneurship by Keenan (2012). However, lack of knowledge related to product and process innovation and business management skills seemed to be more critical for the Iowa BCE participants. The BCEs indicated that they were struggled the most with their lack of business management knowledge and technical training for themselves and employees. This finding aligns with a study by Hotho and Champion (2011) that found staff development and people management to be significant challenges in new creative industries. The Iowa Latino BCEs’ educational background and limited English language skills often constrained their potential business development. One participant mentioned that he was learning related business marketing through YouTube videos, which indicated that on-line resources could potentially be an effective form of business assistance if tailored to the needs of BCEs. Moreover, the lack of help in business resources discouraged the confidence of BCEs, and the lack of financial resources has further impeded their business development. Clearly more access to appropriate training and information tailored to BCE needs would impact their business
development. These areas of modification would also contribute to greater human and financial capital creation in Iowa communities.

Most participants mentioned that the main reason they launched a business in their community was that they spotted a business opportunity or market need. Identifying and growing market niches, growing customer bases, business expansion, cultural interaction, and culture retention were mentioned as key factors that motivated BCEs’ business efforts. Participants mentioned that their culture was also very important to them because that represented who they were. Therefore, they started to offer their cultural products and services to the community where they lived. These cultural offerings such as Mexican food, pastries, cookies, tortillas, and music not only serve as sources of cultural capital to feed the community, but also create financial capital that benefits the community’s economy.

Adding to products and services, culture-based festivals and events increased economic activity and business opportunities in many of the Iowa communities in this study. These findings, and those of previous studies, support that culture related festivals and events can benefit community and economic development (O’Sullivan & Jackson, 2002; Yu & Ke, 2010). Moreover, linking community cultural and social capital with these culture-based festivals and events helps to generate new assets—branding the community as cultural destination. Working together, these community capitals seem to have positive impacts on Iowa communities (Emery, Fey, & Flora, 2006; Flora & Flora, 2008).

Most BCE participants indicated a need for resources that directly helped their business develop including: workshops, classes, or training in business management;
family support networks; and formal and informal business networks. Because more than half of them only had a high school education, the BCE participants generally lacked business management knowledge and training. One participant expressed that he did not have a problem with the marketing because he took classes on customer marketing and services before and that advanced his business knowledge skills. Related classes furthered his knowledge and, in turn, his business’ growth. However, this BCE was an exception. Therefore, this example might potentially serve as a success story and teaching tool for new BCEs by business assistance sources.

 Whereas business management refers to how one executes or manages one’s business, it involves a broad array of topics including operations, market forecasting, customer identification and management, financing, technology, communications, business policy, and marketing strategy. Therefore, marketing and business management skills directly impact business success. This result was supported by Tsai and Shih (2004) who found that the impact of marketing knowledge among business executives on marketing capabilities and business performance was critical to business growth. In this study, BCEs’ concerns with the lack of workshops, classes, or training in business management were significantly related to their business improvement.

 Moreover, participants also mentioned that networks helped their business to expand. However, BCEs primarily relied on close-knit networks of family and friends for business information and advice. Thus, the family support network became participants’ trustworthy resource for their business development. This finding also reveals that the BCEs relied heavily on personal networking, past experience, and technical product knowledge regarding their product offerings, rather than formal sources of sound
business management processes. These findings are supported by Bruderl and
Preisendorfer’s (1998) conclusions that business networks (formal and informal) were
one of the important resources for furthering small business growth. However, networks
that are too closely tied tend to provide redundant information and have a negative impact
on social capital formation (Coleman, 1988). This stifles community and customer
relationships. Thus, Latino BCEs should be encouraged to use a variety of network
sources and not simply rely on family and within-group sources.

Another aspect impacting BCE business growth in this study was business
practices. Participants mentioned that their business success was dependent on good
business practices like word-of-mouth promotion, customer satisfaction, prior business
experience and knowledge in home country, creating sources of competitive advantage,
choosing the right marketing mix, and choosing and using the right marketing tools.
Business growth relies greatly on implementing the right business practices and
marketing. Some BCEs reported connecting with consumers through a range of
communication channels including word-of-mouth, social media, radio, and newspapers.
One of the most popular business marketing practices of BCEs was word-of-mouth
promotion. Most of the participants described how word-of-mouth promotion contributed
greatly to their business growth: It is easy and inexpensive. Therefore, they provided
great services, such as giving free samples or free-alterations to fulfill the needs of their
customers. In return, word-of-mouth became a free promotion that contributes to and
effects the participants’ business growth. However, to grow their business, BCEs will
need to expand their forms of communication and be willing to invest time, effort, and
money into marketing to grow their business. While word of mouth is certainly effective,
the BCEs in this study seemed overly reliant on it and limited their reach to only the Latino community.

Customer satisfaction was the other distinctive aspect of business practice mentioned by the BCEs. Participants explained that when their customer was happy, then the BCEs had a positive experience. The BCEs felt that a positive experience was associated with customers’ positive attitudes toward their business. This result is consistent with previous research in service businesses which found that customer satisfaction resulted from the alignment of perceptions and expectations (Edvardsson, Johnson, Gustafsson, & Strandvik, 2010).

Prior business experience and knowledge gained in the participants’ home country were among the business practices BCEs viewed as most helpful to their business growth. This finding is consistent with previous research that found that entrepreneurs discover business opportunities related to their prior knowledge (Shane, 2000). As for other factors related to BCEs’ business sustainability, creating sources of competitive advantage, choosing the right marketing mix, and choosing and using the right marketing tools were mentioned as essential for business success. Business marketing and management are important tools for business enhancement. CCIs are unique, cultural resources and valuable cultural capital that are defined as a competitive advantage in the community because nobody can easily duplicate or transfer it. Jennings and Beaver (1997) revealed that the competitive advantage of small firms is a vital resource that only enhances business growth. However, due to lack of appropriate marketing implementation skills and weak business management, the owner all too often had to close the business.
Therefore, choosing and using right the marketing tools and marketing mix are essential for BCEs’ business sustainability and development.

In contrast to factors that encourage business growth, BCE participants also mentioned negative factors, such as language barriers, uncontrollable issues, heavy work related responsibilities, competitors, lack of time management skills, lack of supplies and facilities, lack of business professional knowledge and resources, and lack of financial capital that hinder their business development. These business challenges, especially the language barrier, were BCEs’ main challenges in this study. Participants were mostly first generation Latino-American and spoke fairly functional English. A few participants could speak broken or fragmented English and needed interpretive assistance. They mentioned that the language barrier made it difficult to communicate with local people and hindered their business progress. The language challenge also constrained participants’ attainment of business financial capital and resources for their business start-up. Several participants from both rural and urban areas of Iowa expressed that they especially needed the help of business professionals of their lack of English proficiency. They were not familiar with business regulations in the United States and formal paperwork needed for things like business loans. Some of the participants did not have good credit history or other immigrant issues that hindered their ability to obtain loans.

In addition, some participants indicated that they have little time to devote to business management details since they have another job. Small business demands consume most of the BCE participants’ time. To share their heavy job responsibility, participants relied on their family members to help (human capital). Some of the job responsibilities included getting supplies, developing work schedules, and delivering
their products. For participants who were operating food businesses, they also had difficulty in locating a standard kitchen for their food preparation. Participants expressed that without a standard kitchen they could not extend their business to non-Latino customer group because non-Latino customer would like to know the content of the ingredients that BCEs used. Beyond these negative factors, participants also had to compete with new Latino BCEs who were selling similar cultural products or services. Therefore, these BCEs have internal and external threats that jeopardized their business sustainability and growth.

As for the responses of the community leaders on this question, their findings were relatively consistent with the findings of the BCEs. The community leaders also identified one of the key BCEs’ problems was the English language barrier. Language issues impeded the BCEs understanding of business regulations. Other problems that hindered the BCEs business growth were labor availability, business start-up, and operational costs. Because the labor cost in the United States is very high and expensive, most of the handcrafts are imported from developing countries. The lack of the BCEs’ business-related education was cited as a factor that hindered their business development, along with lack of business capital. Furthermore, the community leaders also addressed how the lack of Spanish language business assistance resources also impeded the BCEs. Without access to these important business resources, the Iowa community leaders questioned the long-term viability of some Latino owned BCE businesses (see Table 7).

In contrast to the findings of Latino BCEs interviews, the community leader focus groups presented a somewhat different perspective on factors that hindered Latino BCEs including: English language barriers, competitors, cultural and individual personality
traits, lack of business background and training, lack of vision and trust from the business community, and quality of customer service. The community leaders expressed that BCEs cannot compete with big-box retailers due to price and limited competitive strategies. Another competitor mentioned by the community leaders was incoming new Latino immigrants, because they could produce a similar product. Communication seemed lacking even within the Latino community regarding offering complementary versus identical products in the local market. The community leaders also pointed out that some BCEs were afraid of failing. They lacked boldness because they lacked vision and did not trust the business community. In addition, the community leaders also mentioned there was a need for improved marketing and customer service if they truly wanted to expand and sustain their businesses.

Participants identified themselves as producers and users of the community capitals (e.g., human capital, cultural capital, social capital, and built capital) in this study. To retain their cultural roots and traditions, participants integrated their practice with their memory to generate cultural-creative products and services to benefit their community. Participants mainly produced these products and services to fill the community’s need and to make a living to support their families. CCIs have become a more important cultural capital resource in Iowa for both the Latino BCEs and their communities (Flora & Flora, 2008). These cultural goods produce economic value for the BCEs and enrich and diversify the community.

The BCEs have also fostered the development of valuable social capital (Flora & Flora, 2008) by connecting with the community and developing relationships among community groups. The degree of social capital created varies, however, by Iowa
community and by the willingness of Latino groups to extend their business to out-group (non-Latino) customers. Tightly knit in-group networks can often stifle the development of social capital and negate the benefits of broader network associations (Strahilevitz, 2003). Moreover, BCEs and their CCIs have been identified in the literature as valuable capitals that are capable of generating additional resources (Jacobs, 2012). In this study, additional resources were created: the development of community attractiveness and the branding of the community as a cultural tourism destination. This finding is consistent with previous studies that found the importance of promoting cultural products, festivals and events with place branding as it will help with brand reinforcement and, in turn, invite more tourists to the community (Abdul Halim & Mat, 2010; Quinn, 2009; Tezak, Saftic, & Sergo, 2011; Trost, Klaric, & Ruzlc, 2012). This creative tourism develops and contributes to built capital, which is highly positive for community infrastructure development.

Identifying one’s target market is an important operational aspect for all businesses. A target market refers to a particular group of consumers with the same or similar needs for a businesses’ products or services. Participants needed to know, understand, and identify their target market for their business, in order to implement the right marketing tools to attract loyal customers (Gronholdt, Martensen, & Kristensen, 2000).

The target market for the BCEs in this study was primarily Latino customers (in-group customers). Interestingly, one participant mentioned that her customers were mainly non-Latinos because Anglo customers liked her Mexican food and the price was reasonable compared to other Mexican restaurants. In order to draw more customers to
their stores, many Latino BCEs worked together with local festivals or events to promote their businesses as well as branding their community. Some Latino BCEs also modified their cultural products or services by using local ingredients and tailoring customer orders to fit the market need. Latino BCEs understood the importance to assimilate or acculturate their products or services if they wanted to be able to sustain their business in the market. Therefore, most participants also indicated that they had in-town and out-of-town customers that visited their businesses often. Most participants had a target market comprised of mixed group customers. Moreover, more participants in rural areas of Iowa mentioned that they had slightly more non-Latino customer (out-group customers) than participants in the urban area of Iowa. However, this may be because these participants were living in a community where there were more non-Latino residents.

Flora and Flora (2008) noted that communities empowered with a full set of resources have a tendency to develop vigorous and sustainable neighborhoods and to grow economically. Brain-drain is an issue that hinders many of the small and rural communities in Iowa (Carr & Kefalas, 2009; Fiore, et al., 2015; Schulte, 2011). However, in this study, community leaders indicated that BCEs brought new blood to fledgling small and rural communities which helped to prevent some of the population decline.

Community leaders reported that BCEs rejuvenated the community not just in economic development, but they also enriched the community with a more diversified culture and in many cases making the community more attractive as a destination. Therefore, BCEs not only had a positive impact on human capital, cultural capital, and built capital. Built capital is related to value-added efforts for community enhancement and includes things like sewers water systems, machinery, roads, electronic
communication, buildings, and housing (Flora & Flora, 2008). Bi-cultural entrepreneurs came to Iowa communities bringing their cultural backgrounds and uniqueness. They then figured out a way to optimize their cultural-creative products for the market to make a living. In addition, BCEs integrated their cultural products and services into local festivals and events to draw people from out-of-town. This, in turn, promoted the communities as destination locations and created unique cultural tourism opportunities. This benefitted their local economies. Therefore, with the support of multiple valuable resources--human capital, cultural capital, built capital, social capital, financial capital, and political capital, BCEs helped build robust, coherent, and sustainable communities (see Figure 7).

The themes produced by the community leaders’ focus groups closely aligned with the themes from the BCE interviews for this question. The community leaders expressed the main contributions of the BCEs included turning the community into a cultural destination, which drew more tourists and encouraged people to visit and stay in the community. Based on elements of the community capitals framework (Flora & Flora, 2008), the BCEs positively contributed to the dynamics of community change and economic development in rural and urban areas of Iowa (see Table 7).

This qualitative study applied Flora and Flora’s community capitals framework (2008) to explore Iowa Latino BCEs’ business barriers, needs, and opportunities for bi-cultural business offerings that benefitted their community and economic development. This study is an initial step toward understanding Iowa Latino BCEs’ business growth and development. With regard to the rising importance of small business, researchers have primarily focused on domestic U.S. entrepreneurship. Therefore, extant research on
immigrant entrepreneurship has not been adequate to fully understand Latino bi-cultural entrepreneurs in rural and urban contexts. Through a qualitative, inductive approach, this study provided a more detailed perspective of Iowa Latino BCEs’ business development: (1) types of CCIs (cultural food, music, cultural festivals and event planner, and handcrafts), (2) business barriers, needs, and opportunities, and (3) value creation that benefits the community’s economic development. In addition, this study uniquely integrated Flora and Flora’s (2008) community capitals perspective. Awareness and understanding of these useful capitals can aid in developing strong, dynamic, and synergistic communities in Iowa.

**Conclusions of the Study**

Flora and Flora (2008) indicated that community development relies on a group of local people undertaking a series of social and economic actions and processes which, in turn, create resources that benefit the community. Applying Flora and Flora’s (2008) community capitals framework, this study identified Latino BCEs as sources of rich human capital. They utilized their cultural capital to create novel and creative business offerings in Iowa communities. Through business and community interactions and involvement, many BCEs have fostered social capital by bridging cultures to form social and business relationships among community members. In return, these resources created new assets for the community including a branding the community as a tourist destination which, in turn, increases the number of visitors and consumers to the community.

Political capital and financial capital were also found to be important resources created and used by BCEs. Flora and Flora (2008) explained that political capital is a way to measure social engagement and the use of or influence on policy, whereas financial
capital is used to increase and improve the capacity of the community. Due to the increasing Latino population in Iowa communities, it is important to ensure that communities provide equal opportunity for all groups to engage in leadership and to benefit from and have input into policy formation. It is also imperative for groups, such as the BCEs, to have access to financial capital and to receive adequate business support to create and sustain a profitable and financially stable business. In this study, a modified version of the community capitals framework (Flora & Flora, 2008) was utilized and included all capitals except natural capital. (see Figure 7).

Implications and Future Research

Advancing Knowledge and Sustainability of BCEs

This study highlights valuable implications for future research, as well as for BCEs and the practice of bi-cultural entrepreneurship. Findings from this study support the notion that unique cultural background and entrepreneurial traits may affect and motivate BCEs to create various culture-related offerings (CCIs) to benefit community and economic development. BCEs are a rich source of human capital and they produce valuable cultural capital that can be used to bridge and form relationships among community groups (Flora & Flora, 2008). The full set of community capitals work in a synergistic manner to aid in creating a place brand and destination community that is known for their cultural offerings. Therefore, BCEs and CCIs are key contributors to Iowa community development. Findings of this research suggest that with adequate business assistance, BCEs could potentially play an even larger role in supporting Iowa community and economic growth.
Figure 7. Adapted Community Capitals Framework for examining contributions of Iowa BCEs.
This study also revealed a large need for research concerning best practices and strategies for BCEs, as well as a need to understand the learning and business resource and assistance needs of BCEs. Research concerning information networks and best ways to assist and support bi-cultural business owners, in both rural and urban areas, is greatly needed. Such research could result in a framework that could be implemented by business consultants to aid in developing appropriate strategies for their CCI businesses’ development and sustainability.

Finally, findings from this study provide opportunities for researchers to conduct studies regarding CCIs, cultural destinations, cultural tourism, and consumer behavior in regard to BCEs. The lack of previous studies and undisclosed knowledge concerning BCEs has impeded researchers from conducting further studies about bi-cultural entrepreneurship. This limits opportunities to understand BCEs’ business practices, challenges, needs, and opportunities in rural and urban communities. Ample opportunities exist for academic researchers to build on findings from this research and add to the literature concerning the growing BCE population.

**Implications and Recommendations for BCE Business Assistance and Support**

The findings of this study have significant implications for BCE business assistance and support. Some of the challenges that the Iowa Latino BCEs faced include cost and labor intense offerings, lack of business-related education concerning marketing and management skills, and lack of resource accessibility. Participants mentioned that most of the handcrafts are produced in developing countries and then shipped back to the United States because the cost of labor is high in the United States. To avoid high labor costs, the Latino BCEs need to seek business assistance and suggestions regarding
sourcing and merchandise planning practices. Business consultants would also be able to advise Latino BCEs to determine ways to be more efficient, more streamlined in their business and product development processes, and how to scale up production of more traditional foods and handcrafts. In addition, the Latino BCEs also need to make sure their marketing strategy is appropriate and innovative enough to draw their target market’s attention. Knowing your market is the key to success in business (Duncan & Moriarty, 1997). BCEs need assistance with customer identification and how to grow their target market. For BCE businesses to grow and sustain operation, it is critical that they identify feasible ways by which to scale up. Many participants expressed that networks are important for their business and they maintain a good relationship with their customers. Therefore, it is essential for business consultants to help BCEs understand how to capitalize on a wider range of network resources (both informal and formal) to benefit their business growth.

Second, lack of business-education and management skills are other challenges facing Iowa BCEs. These Latino BCEs come from diverse educational backgrounds and only half of them graduated from high school. Thus, there is a need for both basic education, as well as business education. Muruganantham and Natarajan (2015) found that entrepreneurial education plays a significant role in nurturing entrepreneurial intentions and success in rural areas. Business consultants and assistance sources in Iowa could partner with university programs to develop a program of fundamental business concepts to assist Latino BCEs. Findings of this research suggest that programming should contain business related knowledge such as marketing, management, accounting, and basic technology applications. It is also important to assist BCEs in the development
of vision and goals for their businesses. Furthermore, it would be advisable to incorporate knowledge of business and government regulations into training workshops. Another focus area could be product development for the marketplace. In order to retain and attract more customers, the Latino BCEs need to enhance or tailor their cultural offerings to fit local market needs and tastes. Integrating all of these elements would be beneficial for sustaining Iowa Latino BCEs’ business growth.

Lastly, lack of resource accessibility (financial and other) also hinders many Latino BCEs in Iowa. Latino BCEs do not know where to look for valuable resources for their business growth. One participant mentioned that he is learning his marketing knowledge via online videos. Therefore, it is important for the BCE business assistance in Iowa to incorporate online resources that use online videos, in Spanish and English language, as teaching tools to reach out to this group of emerging online learners. Moreover, facilitating the growth of the Latino BCEs will produce valuable resources for the community which, in turn, will enhance community development.

**Needed Support for Iowa BCEs**

Some other challenges that impede Latino BCEs include lack of financial capital and lack of business professional support. Many participants described that lack of financial capital discouraged them from advancing their businesses. This finding aligns with Samila and Sorenson’s study (2011) that found that access to capital had directly affected business starts-up, employment, and aggregate income. Participants expressed that due to lack of financial capital, they could not move forward with their business. However, due to many regulations concerning loan applications, many participants were turned down many times when they tried to obtain a bank loan. Therefore, it is essential
for community and economic development assistance sources, such as Iowa State University’s Extension and Outreach Programs, state level economic development programs, and Small Business Development Centers (SBDCs), to provide support to Iowa BCEs in the process of accessing adequate capital to start and grow their businesses.

One community leader claimed that Iowa communities do not have enough resources or assistance to help all Latino BCEs in the state because there is a lack of bilingual business assistance. In addition, the online business documents for applying for a state permit are only available in English. Both of these factors hinder the process of assisting the Latino BCEs. For these reasons, it is essential for community and economic development and business assistance programs to address and understand perceived gaps in business assistance from the BCE perspective. Program enhancement and modifications should be done with these needs and gaps in mind.

Another recommendation is for Iowa to focus on building a network of Latino community business owners as a support group and source of business assistance. One participant expressed that networking is very important among the Latino community. Another community leader mentioned that there is not a single organization in Iowa that provides support for Latino business owners. Therefore, to serve Latino BCEs better, it is important to develop a Latino network, which can help to more effectively serve Latino business owners in Iowa.

In addition to the findings from the Latino BCEs and community leaders, the researcher also discussed these findings with one ISU Extension professional who is currently serving as a business professional specialist in the Latino community in Perry,
Iowa. According to him, the barriers for the BCEs that he perceived as an experienced professional included lack of credit, inability to get a loan, documentation issues, immigrant status, and access to business capital. In order to be granted a business loan, bank institutions in the United States check the credit history of the borrower. Many new Latino immigrants do not have good credit because it is not common in their country, nor do they understand how a credit card works. Also, relatives’ credit may block their credit history. In addition, some immigrants do not have services in their names because of their legal status. Therefore, they do not want to take the risk to get a loan from a bank.

Additionally, some Latino BCEs do not qualify to get a loan due to their income level and loan eligibility criteria, especially for Latina BCEs who often do not have funding resources. Latina BCEs often get funding via their husband. In general, most BCEs start out supporting their businesses by working a second job or relying on somebody else with full time job to help support the new business. Often, the BCEs are able to work for a few hours at their business after they leave their jobs at the factories. There are many ways the Latino BCEs try to support their business and family will continue to help. They are continuing to support their businesses because they do not have the ability to get a startup loan that would allow them to work full time in the business (J. Wolseth, personal communication, November 2, 2017).

**BCEs and Immigrant Entrepreneurship**

To date, no studies have been conducted concerning Latino BCEs in rural and urban communities of Iowa. This present research aimed to understand the business development of Latino BCEs and investigate factors that hindered and helped BCEs to sustain and grow their businesses in Iowa. A grounded theory approach was employed to
explore the views of 20 participants from rural and urban areas in Iowa. A micro theory concerning the stages of BCE business development was created based on research findings. As this is the first study of bi-cultural entrepreneurship in Iowa, it is recommended that this study be replicated with BCEs in other geographical areas and cultural contexts. It would also be helpful to compare and contrast findings from this study with findings from other states or and countries with significant immigrant entrepreneur populations. The micro theory proposed in this present study could also be further tested using a cross validation strategy (Cudeck & Browne, 1983).

This qualitative study was conducted with 20 individuals and 12 community leaders in Iowa. Thus, a research design employing a larger sample drawn from a broader national population of rural and urban bi-cultural entrepreneurs, from Latino and other cultures, could be utilized. A quantitative study could be developed based on the qualitative findings in this exploratory research. This could involve a survey or mixed methods design that could address areas such as potential barriers, challenges, and opportunities of bi-cultural entrepreneurship.

Future research also could examine a comparison of different cultural groups of bi-cultural entrepreneurs. It would be interesting to examine perceived differences in barriers or challenges that hinder business growth for bi-cultural entrepreneurs and if these vary by type of CCI. Other future research includes investigating customer satisfaction with CCIs. Findings of this study showed that positive experiences were associated with the customers’ attitude toward the business. Future research could examine whether different types of CCIs offer different levels of service and whether their customers have different expectations.
Findings from this study suggest that tourists drive a few hours to a community just to try unique cultural foods, patronize the festivals, and enjoy the unique cultural experiences. These cultural offerings combined with other community assets create a destination community and support economic development. Another possible research directions would be to investigate expectations for rural community cultural events from the customer/resident, community, and business owner perspectives. Such findings would enable better marketing and delivery of culture based festivals and events.

Latino BCEs are strongly bonded to their cultural in-group, which often constrains their customer base and business growth. Findings from this study revealed that many Latino BCEs kept “secret recipes” only for their family members. BCEs in this study placed their greatest trust in their family and in-group members. Therefore, it would be interesting to examine this traditional mind-set and devise strategies and approaches to assist BCEs in thinking beyond these traditional networks to enhance business growth.

**Limitations**

Although this study revealed new findings and identified valuable information concerning business challenges, needs, and opportunities of Iowa Latino BCEs’ business development, several limitations should be acknowledged. First, this study focused on Latino bi-cultural entrepreneurs who were selling their cultural products and services in selected Iowa communities. The researcher could not account for all types of Latino entrepreneurship in this limited sample size. The study focused on a limited set of BCEs’ cultural offerings including festivals and events planning, Mexican food and bakery,
musician, and handcrafts. Therefore, generalization of the findings to a broader population should be approached with caution.

Second, the qualitative methods used in this study allowed the researcher to unearth and explore the relatively untouched area of Latino BCEs’ business contributions to local economic development. Most participants spoke simple English and used their limited language skills to respond during the interviews. Therefore, participants may have had difficulty in fully expressing their thoughts related to their business experiences. Gatekeepers necessarily assisted with interview translation. However, to facilitate the process, it is suggested that replication of the study using a Spanish interviewer may be a good next step. Furthermore, direct interaction with the researcher during the interview had the possibility of affecting the participant responses and feelings of trust. Connecting with the participants through community stakeholders helped to reduce these areas of limitation. Participants in this study were a group of cooperative individuals, who choose to use the third person in conversations. Typical of Latino culture (Hofstede, 203 & 2004), Latinos build formal relationships at first with others, which then turn into less formal ones as they get to know and trust the other person (Chong & Baez, 2005). It is essential to connect through community stakeholders because it helps to reduce participants’ fears and build trust with the interviewer. Therefore, knowing Latino cultural and communication patterns is very important in planning future studies.

Overall, findings from this study contribute to a better understanding of immigrant entrepreneurship, the impact of cultural offerings, and Latino bi-cultural entrepreneurship in rural and urban communities of Iowa. Cultural-creative industries and BCEs are unique cultural resources that should be used to leverage and encourage
community and economic development. Using qualitative methods to unearth details about Latino’s business barriers and opportunities provides valuable insight that may benefit BCEs and their future business development.
REFERENCES


Kretzmann, J., & McKnight, J. (1993). *Building communities from the inside out: A path toward finding and mobilizing a community’s assets.* Evanston, IL: ACTA Publication.


APPENDIX A. INTERVIEW SCRIPT FOR LATINO BI-CULTURAL ENTREPRENEURS

INTERVIEW SCRIPT: Identifying Opportunities for Latino Bi-Cultural Entrepreneurship in Iowa: A Community Capitals Approach to Economic Development

Thank you so much for participating in this study! This study is to identifying opportunities for Latino entrepreneurship in Iowa.

This study is exploring how cultural heritage influences Latino entrepreneurs and their business practices. Therefore, the purpose of this study is to gain a better understanding of the spectrum of Latino entrepreneurship in urban and rural areas of Iowa and their contributions to community economic development.

GRAND TOUR QUESTION: We’re interested in learning about Latino entrepreneurship in ____________ (community name) and your special products or services that you’re selling for your business. Latino entrepreneurship refers to a new form of business concept for creative immigrant entrepreneurs who use their family background and heritage, along with their talent and skills, as resources to benefit individual business and local economic development.

Question 1: Tell me a little about you and your business:

a) Could you briefly describe your business?
b) What are the special products or services your business provides to the community?
c) Tell me where did you originally come from?

Question 2: Tell me about the impact of your original culture on the way you are doing business in the US:

a) Are you first generation immigrants?
b) How do the products or services that you’re selling relate to your culture and heritage?
c) Do you run a business in your country of origin? (If you are second-generation, did your parent run a business in their country of origin?)
d) What differences can you see between running a business in your country of origin versus running a business in Iowa?
e) How would you describe yourself when it comes to business decision making as a small business owner? For example: hard working, risk-taker, perseverance, self-confidence, open-minded…
f) Do you think your culture has impacted your personality that predominates the way you’re doing business? Would you provide an example?
Question 3: We all know that not all small business owners are created from the same master plan. They come from different geographic locations, upbringings, cultural background, income brackets and social classes as well as education levels. Therefore, we would like to know about you. Please tell me about yourself as a business owner in Iowa:

a) How did you come to be an entrepreneur/business owner in Iowa?
b) What was the tipping point (the critical point or situation) that influenced you to start your business?
c) Tell me about your most memorable experience (good or bad) since you first started your business? Can you provide examples?
d) What is your least favorite part about being an entrepreneur and why?

Question 4: We would like to know what you see as problems, needs, or opportunities for BCEs, in relation to business ownership in Iowa and in this community.

a) What is the biggest thing you struggle with as a business owner?
b) Have you sought any professional help for your business? What resources have you used?
c) How do you define success as an entrepreneur? Do you think your business is successful and why?
d) How do you see the growth of your business in the next few years?

Question 5: We would like to know what kinds of help are beneficial to your business development, so please tell me:

a) What challenges have you experienced that have influenced your business development?
b) Are you planning to expand your business?
c) What are some of your resources needed to grow your business—such as financial, time, technology, training and knowledge, or other?

Question 6: Next, we would like to know how you view the contribution of your business to local economic development, so please describe for me:

a) What economic changes did you notice after launching your business in this community? (such as buying more from you rather than other)
b) How has your business supported or been involved with community festivals or events?
c) If you had to choose one thing, what do you think is your business’ biggest contribution to your community?

Question 7: We would like to know the target market of your business and which of these customer groups your business currently serves, so please tell me?
a) Who is your target market/main customer?
b) Are your clients mainly other Latinos?
c) Are your customers from your same country of origin?
d) Do you have any Anglo clients or clients from other backgrounds?
e) How do your clients respond to your products or services? Could you provide examples?
f) If you do not currently serve Anglo clients, why not and are you interested in expanding/growing your business to attract this segment?
g) If your customers are Anglo, why do you think that is?

**Question 8: We would like to know your relationships with others in the community and your business, so could you tell me:**

a) How would you describe the relationship between you and your customers?
b) How do you stay in touch with your customers?
c) Do you have connection with the Chamber of Commerce or had dealings with the City or Sought technical advice from agencies such as the SBDC?
d) Could you provide examples and how these network sources help you and your business?

**Question 9: We would like to find out the role of Latino entrepreneur to local community, so could you tell me: (Q6b)**

a) How do you see your business helping to build your community as a destination (example)? Could you provide examples?

**Question 10: We would like to find out the attractiveness and sense of place for your businesses to local community, so could you tell me:**

a) Why did you choose to set up your business operation here?
b) What are the beneficial aspects of this community that assist your business development?
c) Since you have started the business, are there more or less people interested in your products or services? What do you think accounts for this?
d) Do you have anything to add for our interview today? Thanks for your time and your inputs!
APPENDIX B. INTERVIEW SCRIPT FOR IOWA COMMUNITY LEADERS

INTERVIEW SCRIPT: Identifying Opportunities for Latino Bi-Cultural Entrepreneurship in Iowa: A Community Capitals Approach to Economic Development

Thank you so much for participating in this study! This study is to identifying opportunities for Latino bi-cultural entrepreneurship in Iowa.

Bi-cultural entrepreneurs (BCEs) are immigrant entrepreneurs who came from other countries and capitalize on opportunities related to their original cultural heritage and draw on their cultural ideas and inspiration to generate products and experiences of interest to consumers (e.g., arts, handcrafts, festivals, restaurants).

Many BCEs have businesses in urban and rural areas of Iowa. They may sell their offerings to members of their own cultural group (within-groups such as Latino customers) or to a broader market of interested consumers (out-of-groups such as African American or Caucasian).

GRAND TOUR QUESTION: The purpose of this study is to gain a better understanding of the spectrum of bi-cultural entrepreneurship in urban and rural areas of Iowa. We also want to better understand BCE’s contributions to their impact on community economic development.

Can each of you first tell me a little bit about your role in this community and how do you assist small businesses and in particular Latino entrepreneurs?

MAIN FOCUS GROUP INTERVIEW

We’re interested in learning about the contributions of the Latino bi-cultural entrepreneurship to local business, local community events, and perhaps festivals if they are held in your community.

Bi-cultural entrepreneurship refers to creative immigrant entrepreneurs who use their family background and heritage, along with individual talent and skills, to benefit their individual business development.

Do you know of any Latino immigrant entrepreneurs in your community who really draw from their cultural heritage, cultural skills, handcrafts, foods, etc. to create unique services for their business or other event or organization?

Can you give me a few examples and also provide the cultural background of these business owners? (Need to probe)
1. Can you tell me a little bit of XXXX (BCE names)? (If they mention specific BCEs in their conversation)
2. How would you describe your relationship with the Latino entrepreneurs…like do you know them well, do they seek you out, are they well known in the community, etc.?

Thanks for those examples….

These types of offerings are actually known as cultural-creative industries (CCIs) where immigrant business owners create new business opportunities to support local economic development and enhance their local community…. this in turn may draw people to visit the community and spend their time and money.

Now I have some specific questions to ask you.

Question 1: We would like to know the impact of Bi-cultural entrepreneurs in your community on local business, festivals, events, and economic development. From now going forward in the interview, I am going to refer to these Latino entrepreneurs as BCEs. Based on your observation, could you please tell me: (RQ 6)

   a) What specific kinds of cultural products or services are being sold by bi-cultural entrepreneurs in your community? Can you please provide some specific examples?

   b) How do cultural products or services (CCIs) influence local festivals or events?

   c) Can you please describe the relationship between these BCEs and local residents?

   d) Do local residents buy from BCE businesses and support or attend their events? Why or why not?

Question 2: We would like to know the potential barriers, needs, and opportunities for bi-cultural businesses in your community. Based on your observation and knowledge, could you please tell me: (RQ 4)

   a) What are the biggest challenges that BCEs face in your community? Can you provide some specific examples?

   b) What are some positive things that BCEs bring to your community? Can you provide some specific examples here also?

   c) How do you see the growth of bi-cultural businesses in this community in the next few years? Will it increase, decrease, stay the same? What are the contributing factors to the development of these BCE businesses in the near future in your community?
Question 3: We would like to know what helps or hinders business development for BCEs in your community, so could you please tell me: (RQ 5)

a) How are BCEs performing in your community? Have they integrated well into the local business setting?

b) What are the major issues that hinder the business development of BCEs in your community?

c) Do BCEs commonly seek help regarding business assistance in this community and from whom?

d) If they did not commonly seek help, why do you think this is the case?

e) What types of assistance are you offering to these BCEs for improving their businesses? Can you please give me some examples of the types of business assistance most commonly sought by BCEs in your community?

f) What types of business support organizations and resources do you think are most effective OR what is lacking and needed to help the BCEs in your community?

Question 4: We would like to know what value BCEs add to your community, so could you please tell me: (RQ 6)

a) What changes did you notice after BCEs launched their businesses in this community? Could you provide examples?

b) If you had to name one thing, what would be a positive aspect that BCEs bring to this community?

c) Are there any challenges your community has experienced from the BCEs joining the local business community? Can you please provide some examples and also indicate what it may take to resolve these challenges?

d) How do local residents feel about these immigrant business owners? How is the relationship between local residents and BCEs?

e) What might BCEs do to attract more local customers?

f) Based on your observations:
   a. Who is the primary target customer of the BCEs in your community? Can you please provide some examples?
   b. Would a visitor come here to this community specifically because of these BCEs and their business offerings or events? Why or why not?
   c. What might local BCEs do to attract more visiting or tourist customers?
g) Apart from providing a local business, what would be other contributions of these BCEs to community development in this town? Can you please provide some examples?

Last, but not least, do you have anything I didn’t ask, but you want to share or add to our conversation today?

Thanks you all so much of your time and insights for my study!
APPENDIX C. DEMOGRAPHIC QUESTIONNAIRE FOR IOWA BI-CULTURAL ENTREPRENEURS

Identifying Opportunities for Latino Bi-Cultural Entrepreneurship in Iowa: A Community Capitals Approach to Economic Development

The following are the preferred response options for demographic questions for the Latino bi-cultural small business owners’ assessments. Please complete the following survey and return it to me!

Name: _____________________________________________________________

Business Name: ____________________________________________________

INSTRUCTIONS: Please mark the response for each of the following questions that applies to you or your business.

a) What is your age?
   - Under 21 years old □
   - 21-30 years old □
   - 31-40 years old □
   - 41-50 years old □
   - 51 years 61 years and over □

b) What is your gender?
   - Male □
   - Female □

c) What is the highest level of education you have completed?
   - Some high school □
   - High school graduate □
   - Some College Trade/technical/vocational training □
   - College graduate □
   - Some postgraduate work □
   - Post graduate degree □

d) Last year, in 2015, what was the revenue from your business, before taxes?
   - Less than $10,000 □
   - $10,000 to less than $20,000 □
   - $20,000 to less than $30,000 □
   - $30,000 to less than $40,000 □
   - $40,000 to less than $50,000 □
   - $50,000 or more □

INSTRUCTIONS: Please fill out your response for each of the following questions that applies to you or your business.

e) Ethnicity: We want to be sure that we have spoken to a broad mix of people in your area. Tell us, what country are you originally from?
   ____________________________________________________________

f) How long have you been in the United States?
   ____________________________________________________________

g) How long have you been in operation in this community?
   ____________________________________________________________
h) How many employees do you have?
   Full Time _________________________
   Part Time __________________________

i) Do you have other job other than running your own business?
   ☐ Yes, what is your other job?
   ______________________________________
   ☐ No
APPENDIX D. INFORMED CONSENT DOCUMENT

INFORMED CONSENT DOCUMENT

**Title of Study:** Identifying Opportunities for Latino Bi-Cultural Entrepreneurship in Iowa: A Community Capitals Approach to Economic Development.

**Investigators:** Hui Siang Tan and Dr. Linda Niehm

This form describes a research project. It has information to help you decide whether or not you wish to participate. Research studies include only people who choose to take part—your participation is completely voluntary. Please discuss any questions you have about the study or about this form with the project staff before deciding to participate.

**Introduction**
The purpose of this study is to learn about the important contributions and barriers of Latino bi-cultural entrepreneurs to their communities in Iowa.

You are being invited to participate in this study because you meet the specific study parameters as a Latino small business owner who is operating a cultural related business in Iowa. Or, a community leader who pertains community leadership and is perceived to represent a community. You should not participate if you do not fit the above depiction.

**Description of Procedures**
If you agree to join the study, you will participate in two part, in-depth, semi-structured interviews about your opinions on impact and opportunities and demographic questionnaire (Bi-cultural entrepreneur ONLY) of bi-cultural entrepreneurship to your community. Questions will be related to your business/observation in relation to things you experienced, including problems, accomplishments, contributions and relationships with others.

- The interviews will be audio-recorded.
- Each interview will be approximately 60 minutes, and take place over the duration in this summer. Interviews will be conducted in a private-space (example: closed room in the place that is designated by the gatekeeper or participant).

**Risks or Discomforts**
There are no known risks for participating in this study.

**Benefits**
If you decide to participate in this study, there will be no direct benefit to you. It is hoped that the information gained in this study will benefit Iowa Latino communities by gathering information about the contributions and issues of Latino bi-cultural entrepreneurship to their communities as well as helping local economic developers to have better understanding about the needs and impact of Latino bi-cultural entrepreneurs in their communities.
**Costs and Compensation**
You will not have any costs from participating in this study. You will not be compensated for participating in this study.

**Participant Rights**
Participating in this study is completely voluntary. You may choose not to take part in the study or to stop participating at any time, for any reason, without penalty or negative consequences. At any part in the interview process, you can skip any questions that you do not wish to answer.

If you have any questions _about the rights of research subjects or research-related injury_, please contact the IRB Administrator, (515) 294-4566, IRB@iastate.edu, or Director, (515) 294-3115, Office for Responsible Research, Iowa State University, Ames, Iowa 50011.

**Confidentiality**
Records identifying participants will be kept confidential to the extent permitted by applicable laws and regulations and will not be made publicly available. However, federal government regulatory agencies, auditing departments of Iowa State University, and the Institutional Review Board (a committee that reviews and approves human subject research studies) may inspect and/or copy study records for quality assurance and data analysis. These records may contain private information.

To ensure confidentiality to the extent permitted by law, the following measures will be taken: participant contact information will be kept in a password-protected computer by the primary investigator, pseudonyms will replace the names of the participants to allow anonymity of their statements. All electronic data will be encrypted. Specific information that could be used to determine a individual occurrence or identity will be modified slightly or omitted from the results of the study and any future publications. If photos are given to the investigator for use in the research, the face and/or other identifiers of the participant will be blocked to prohibit their identification. Results of this study will not include any portion of participants’ identities.

**Questions**
You are encouraged to ask questions at any time during this study. For further information _about the study_, contact Hui Siang Tan at huisiang@iastate.edu, or the supervising faculty, Dr. Linda Niehm, at niehmlin@iastate.edu.

**Consent and Authorization Provisions**
Your signature indicates that you voluntarily agree to participate in this study, that the study has been explained to you, that you have been given the time to read the document, and that your questions have been satisfactorily answered. You will receive a copy of the written informed consent prior to your participation in the study.

Participant’s Name (printed) ____________________________________________
## APPENDIX E. SAMPLES OF DATA CODING PROCESS

**BCEs' Findings (Code Books)**

Nodes\Research Questions

**Bi-cultural entrepreneurship:** An innovative business concept for creative immigrant entrepreneurs who utilize cultural endowment (family background and heritage) and competency (talent and skills) as competitive resources to benefit individual business expansion.

**Bi-cultural entrepreneurs (BCEs):** Immigrant entrepreneurs who capitalize on opportunities related to cultural capital (cultural endowment) and draw on their ideas to generate products and experiences of interest to consumers. These individual ventures are obvious retail businesses such as ethnicity restaurants, bakery, grocery, apparel and accessory retail stores, and non-obvious retail businesses like artists, state performances, and handcraft.

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<td>Able to have control</td>
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<td>4</td>
<td>4</td>
</tr>
<tr>
<td>Be a real model</td>
<td>To teach or inspire other</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>Be your own boss</td>
<td></td>
<td>3</td>
<td>4</td>
</tr>
<tr>
<td>Change quality of life</td>
<td>Able to make more money to improve a better quality of life</td>
<td>5</td>
<td>6</td>
</tr>
<tr>
<td>Customer satisfaction</td>
<td>To make customer happy</td>
<td>4</td>
<td>5</td>
</tr>
<tr>
<td>Feeling happy &amp; satisfaction</td>
<td>To make BCE happy and feeling good</td>
<td>7</td>
<td>13</td>
</tr>
<tr>
<td>geography vs. produces</td>
<td>The business evolved because of the production of the mother nature</td>
<td>1</td>
<td>2</td>
</tr>
<tr>
<td>Learning experience</td>
<td>To a journey of learning experience in life</td>
<td>2</td>
<td>3</td>
</tr>
<tr>
<td>Memory</td>
<td>BCE used to do it when he or she was in their home country</td>
<td>3</td>
<td>5</td>
</tr>
<tr>
<td>Patching income</td>
<td>Addition income for the BCE</td>
<td>2</td>
<td>2</td>
</tr>
<tr>
<td>Surprise</td>
<td>The business was not planned by the BCE</td>
<td>1</td>
<td>2</td>
</tr>
<tr>
<td>When BCEs arrived to this community</td>
<td></td>
<td>8</td>
<td>11</td>
</tr>
<tr>
<td>Themes</td>
<td>Description</td>
<td>Participants</td>
<td>References</td>
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<tr>
<td>---------------------------------------------</td>
<td>-----------------------------------------------------------------------------</td>
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</tr>
<tr>
<td>Where BCE was before he or she came to the community</td>
<td></td>
<td>9</td>
<td>12</td>
</tr>
<tr>
<td>Years of business operation in this community</td>
<td></td>
<td>5</td>
<td>6</td>
</tr>
<tr>
<td>Q. 10~ We would like to find out the attractiveness and sense of place for your businesses to local community, so could you tell me~</td>
<td></td>
<td>17</td>
<td>124</td>
</tr>
<tr>
<td>Better living community</td>
<td></td>
<td>1</td>
<td>4</td>
</tr>
<tr>
<td>Community relationship (Bonding capital)</td>
<td></td>
<td>11</td>
<td>29</td>
</tr>
<tr>
<td>Living cost</td>
<td>Affordable place to live</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>Location</td>
<td>A particular place</td>
<td>8</td>
<td>16</td>
</tr>
<tr>
<td>Market niche in this community</td>
<td>A subcategory of the market on which a particular product is focused</td>
<td>7</td>
<td>15</td>
</tr>
<tr>
<td>More newcomers</td>
<td>More new immigrants are coming to this community to stay</td>
<td>1</td>
<td>2</td>
</tr>
<tr>
<td>More opportunities</td>
<td>More new comers will bring more business opportunities to the place</td>
<td>5</td>
<td>10</td>
</tr>
<tr>
<td>Place branding or destination</td>
<td>Outsider people will come to this place for particular products or services. This place is famous because of</td>
<td>10</td>
<td>21</td>
</tr>
<tr>
<td>Themes</td>
<td>Description</td>
<td>Participants</td>
<td>References</td>
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<td>-------------------------------------------------</td>
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<tr>
<td>the particular products or services</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Product</td>
<td></td>
<td>5</td>
<td>9</td>
</tr>
<tr>
<td>Q. 2~ Tell me about the impact of your original culture on the way you are doing business in the US~</td>
<td></td>
<td>18</td>
<td>270</td>
</tr>
<tr>
<td>Childhood development story of the BCE</td>
<td>The story of growing up that impacts BCE’s adulthood and personality development</td>
<td>5</td>
<td>12</td>
</tr>
<tr>
<td>First generation immigrant</td>
<td>Is the BCE first generation immigrant</td>
<td>7</td>
<td>7</td>
</tr>
<tr>
<td>No</td>
<td></td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Yes</td>
<td></td>
<td>7</td>
<td>7</td>
</tr>
<tr>
<td>Impact of bi-culture to BCE</td>
<td>The impact of bi-culture to the BCE</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>Impact of cultural background that inspires the bi-cultural entrepreneurship</td>
<td>How cultural background affects or inspires the bi-cultural entrepreneurship</td>
<td>2</td>
<td>2</td>
</tr>
<tr>
<td>Business experience from prior knowledge (country of origin)</td>
<td>Prior knowledge of business experience from BCE’s country of origin. For example, working to help family business while the BCE was little</td>
<td>6</td>
<td>7</td>
</tr>
<tr>
<td>Themes</td>
<td>Description</td>
<td>Participants</td>
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<td>--------------------------------------------</td>
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</tr>
<tr>
<td>Business experience (actual hand-on experience) in home country</td>
<td>Owning a business in their home countries before they came to this community</td>
<td>11</td>
<td>18</td>
</tr>
<tr>
<td>No</td>
<td></td>
<td>6</td>
<td>6</td>
</tr>
<tr>
<td>Yes</td>
<td></td>
<td>6</td>
<td>12</td>
</tr>
<tr>
<td>Community culture lifestyle</td>
<td>The BCE was influenced or missed where he or she used to be living</td>
<td>2</td>
<td>2</td>
</tr>
<tr>
<td>Culture values</td>
<td>A set of norms of a culture that is shared among the group of people</td>
<td>9</td>
<td>20</td>
</tr>
<tr>
<td>Conservation or tradition</td>
<td>A protection of certain cultural values from the past until today</td>
<td>5</td>
<td>14</td>
</tr>
<tr>
<td>Cultural roots</td>
<td>A shared knowledge and values of a group of people.</td>
<td>6</td>
<td>6</td>
</tr>
<tr>
<td>DNA</td>
<td>A strong belief that builds in BCE’s mind-set like DNA, which cannot be removed no matter how</td>
<td>3</td>
<td>4</td>
</tr>
<tr>
<td>Family and friends influence</td>
<td>Influenced by family and friends</td>
<td>8</td>
<td>15</td>
</tr>
<tr>
<td>Habit</td>
<td>Habit or hobby of BCE</td>
<td>3</td>
<td>6</td>
</tr>
<tr>
<td>Learned from childhood</td>
<td></td>
<td>6</td>
<td>10</td>
</tr>
<tr>
<td>Memory</td>
<td></td>
<td>5</td>
<td>7</td>
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<tr>
<td>Mexican culture in general</td>
<td>Overview of Mexican culture</td>
<td>2</td>
<td>14</td>
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<td>Themes</td>
<td>Description</td>
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</tr>
<tr>
<td>Passion</td>
<td></td>
<td>5</td>
<td>10</td>
</tr>
<tr>
<td>People who influence or inspire the BCE for his or her business</td>
<td></td>
<td>10</td>
<td>25</td>
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<tr>
<td>Personal feeling of BCE toward Latino group</td>
<td>Thoughts or feelings of BCE toward Latino group</td>
<td>5</td>
<td>9</td>
</tr>
<tr>
<td>Personality or entrepreneurial traits of the BCE</td>
<td></td>
<td>16</td>
<td>76</td>
</tr>
<tr>
<td>Being flexible and willing to change</td>
<td></td>
<td>2</td>
<td>6</td>
</tr>
<tr>
<td>Confidence</td>
<td></td>
<td>4</td>
<td>6</td>
</tr>
<tr>
<td>Creative</td>
<td></td>
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<td>4</td>
</tr>
<tr>
<td>Curiousness</td>
<td></td>
<td>1</td>
<td>2</td>
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<tr>
<td>Goal or job-oriented</td>
<td></td>
<td>3</td>
<td>4</td>
</tr>
<tr>
<td>Hard worker</td>
<td></td>
<td>4</td>
<td>7</td>
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<tr>
<td>Open-minded</td>
<td></td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>Passion</td>
<td></td>
<td>5</td>
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</tr>
<tr>
<td>Perseverance</td>
<td></td>
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<tr>
<td>Risk-taker</td>
<td></td>
<td>9</td>
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<tr>
<td>Self-learner</td>
<td></td>
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<td>6</td>
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<tr>
<td>Visionary</td>
<td></td>
<td>2</td>
<td>4</td>
</tr>
<tr>
<td>Willing to help others</td>
<td></td>
<td>3</td>
<td>5</td>
</tr>
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<td>-----------------------------------------------------------------------</td>
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</tr>
<tr>
<td>The differences between running a business in host country vs. home country</td>
<td></td>
<td>18</td>
<td>96</td>
</tr>
<tr>
<td>Banking institution</td>
<td></td>
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<tr>
<td>Business acculturation</td>
<td></td>
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<tr>
<td>Business operation</td>
<td></td>
<td>4</td>
<td>4</td>
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<tr>
<td>Business regulations</td>
<td></td>
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<tr>
<td>Business supplies</td>
<td></td>
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<td>3</td>
</tr>
<tr>
<td>Cost of labor force</td>
<td></td>
<td>3</td>
<td>4</td>
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<tr>
<td>Difference in taste</td>
<td>Taste of food is different because the use of ingredients are different</td>
<td>3</td>
<td>3</td>
</tr>
<tr>
<td>Food preparation process</td>
<td></td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>Food serving (Female vs. male)</td>
<td>Gender has impacted on food serve for adulthood ceremony in Mexican culture</td>
<td>1</td>
<td>5</td>
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<tr>
<td>Ingredients being used</td>
<td>The selection of ingredients are different when comparing home and host country</td>
<td>1</td>
<td>2</td>
</tr>
<tr>
<td>Less business opportunity</td>
<td></td>
<td>1</td>
<td>3</td>
</tr>
<tr>
<td>Lifestyle</td>
<td></td>
<td>1</td>
<td>5</td>
</tr>
<tr>
<td>More business opportunities</td>
<td></td>
<td>6</td>
<td>22</td>
</tr>
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<td>Themes</td>
<td>Description</td>
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<td>--------------------------------------------------</td>
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</tr>
<tr>
<td>Help of business professional or micro-finance organization</td>
<td>Business professionals are a group of business expertise like marketing, business consultant, tech people, agent of financial institution, extension professional, The Chamber of Commerce, City manager, community leaders, etc. These people aid to help new business ventures to develop their new start-up business</td>
<td>2</td>
<td>11</td>
</tr>
<tr>
<td>No difference</td>
<td>No different when doing business in home vs. host country</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>Payment method</td>
<td></td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>Personality taste</td>
<td></td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Sophisticated vs. country style</td>
<td>The preference or taste of individual BCE</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>Price</td>
<td>The price of the product</td>
<td>2</td>
<td>4</td>
</tr>
<tr>
<td>Product making process</td>
<td>How the product is made</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>Profit</td>
<td>Revenue that generates from the business</td>
<td>1</td>
<td>3</td>
</tr>
<tr>
<td>Small community vs. big community</td>
<td>Size of the community where the BCE is doing business</td>
<td>1</td>
<td>7</td>
</tr>
<tr>
<td>Social norms</td>
<td>The rules of behaviour that are acceptable in a society</td>
<td>2</td>
<td>2</td>
</tr>
<tr>
<td>Themes</td>
<td>Description</td>
<td>Participants</td>
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<td>------------</td>
</tr>
<tr>
<td>Society, economic instability, or political safety issues</td>
<td>Situations of a country</td>
<td>1</td>
<td>2</td>
</tr>
<tr>
<td>Year or age BCE left his or her home county</td>
<td></td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Q. 3~ We all know that not all small business owners are created from the same master plan….</td>
<td></td>
<td>17</td>
<td>92</td>
</tr>
<tr>
<td>Bad experience</td>
<td>Bad experience that BCE has facing when doing business</td>
<td>13</td>
<td>32</td>
</tr>
<tr>
<td>Belief or goal of the BCE</td>
<td></td>
<td>3</td>
<td>4</td>
</tr>
<tr>
<td>Favourite part that being an entrepreneur (What business means to BCE)</td>
<td>Why BCE likes to do business; what business means to BCE</td>
<td>3</td>
<td>4</td>
</tr>
<tr>
<td>Good experience</td>
<td>Good experience that BCE has when doing a business</td>
<td>9</td>
<td>17</td>
</tr>
<tr>
<td>Customer appreciation</td>
<td></td>
<td>2</td>
<td>5</td>
</tr>
<tr>
<td>Grow customer base</td>
<td></td>
<td>3</td>
<td>4</td>
</tr>
<tr>
<td>Interesting experience</td>
<td></td>
<td>2</td>
<td>2</td>
</tr>
<tr>
<td>Least favourite part that being an entrepreneur</td>
<td>What BCE does not like about being an business owner</td>
<td>11</td>
<td>17</td>
</tr>
<tr>
<td>Conflict with customer</td>
<td></td>
<td>1</td>
<td>3</td>
</tr>
<tr>
<td>Hard work &amp; time consuming</td>
<td></td>
<td>2</td>
<td>2</td>
</tr>
<tr>
<td>Themes</td>
<td>Description</td>
<td>Participants</td>
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<td>------------</td>
</tr>
<tr>
<td>Heavy on work responsibility</td>
<td></td>
<td>3</td>
<td>5</td>
</tr>
<tr>
<td>No</td>
<td></td>
<td>3</td>
<td>3</td>
</tr>
<tr>
<td>Time management</td>
<td></td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>Q. 4~ We would like to know what you see as problems, needs, or opportunities for BCEs, in relation to business ownership in Iowa and in this community~</td>
<td>18</td>
<td>18</td>
<td></td>
</tr>
<tr>
<td>Definition of business success</td>
<td>How BCE defines his or her success</td>
<td>15</td>
<td>41</td>
</tr>
<tr>
<td>Factors that hinder business growth</td>
<td></td>
<td>17</td>
<td>120</td>
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<tr>
<td>Issues that BCE is struggling</td>
<td></td>
<td>17</td>
<td>104</td>
</tr>
<tr>
<td>Bookkeeping &amp; tax issues</td>
<td></td>
<td>1</td>
<td>2</td>
</tr>
<tr>
<td>Capital</td>
<td></td>
<td>12</td>
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<tr>
<td>No</td>
<td></td>
<td>2</td>
<td>5</td>
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<tr>
<td>Competitor</td>
<td></td>
<td>6</td>
<td>12</td>
</tr>
<tr>
<td>Customer satisfaction</td>
<td></td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>Effective communication skills</td>
<td></td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>Family issue</td>
<td></td>
<td>3</td>
<td>6</td>
</tr>
<tr>
<td>Themes</td>
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<td>Participants</td>
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</tr>
<tr>
<td>Food sanitation &amp; central kitchen facility</td>
<td></td>
<td>3</td>
<td>4</td>
</tr>
<tr>
<td>Health issue</td>
<td></td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>Immigration issue</td>
<td></td>
<td>2</td>
<td>3</td>
</tr>
<tr>
<td>Lack of business resource network, management knowledge, &amp; accessibility</td>
<td></td>
<td>4</td>
<td>11</td>
</tr>
<tr>
<td>Lack of mechanical &amp; professional help</td>
<td></td>
<td>3</td>
<td>4</td>
</tr>
<tr>
<td>Landlord &amp; property issue</td>
<td></td>
<td>2</td>
<td>4</td>
</tr>
<tr>
<td>Language barrier</td>
<td></td>
<td>8</td>
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<tr>
<td>Limited permission</td>
<td>What are some of the limitations on doing business</td>
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<tr>
<td>Marketing</td>
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</tr>
<tr>
<td>Price</td>
<td></td>
<td>1</td>
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</tr>
<tr>
<td>Time consuming</td>
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<td>Time management skills</td>
<td></td>
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<td>Themes</td>
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<tr>
<td>Travelling</td>
<td></td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>Usage of Computer technological device</td>
<td>Knowledge of technology usage</td>
<td>3</td>
<td>3</td>
</tr>
<tr>
<td>Lack of supplies</td>
<td></td>
<td>3</td>
<td>3</td>
</tr>
<tr>
<td>Prior business education</td>
<td></td>
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<tr>
<td>Uncontrollable situations for BCE</td>
<td></td>
<td>3</td>
<td>9</td>
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<td>Needs</td>
<td></td>
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<td>Business insurance</td>
<td></td>
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<tr>
<td>Location</td>
<td>The importance of getting a right location for business to grow</td>
<td>3</td>
<td>5</td>
</tr>
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<td>Marketing plan</td>
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<td>2</td>
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<tr>
<td>Mics</td>
<td></td>
<td>3</td>
<td>3</td>
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<tr>
<td>Money &amp; financial help</td>
<td></td>
<td>9</td>
<td>24</td>
</tr>
<tr>
<td>More employees or vendors</td>
<td></td>
<td>3</td>
<td>14</td>
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<tr>
<td>Related educational program</td>
<td></td>
<td>2</td>
<td>5</td>
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<td>Training &amp; technology knowledge</td>
<td>Technology and business training helps</td>
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<td>Opportunities</td>
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<td>Business expansion</td>
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<td>Performing in other communities</td>
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<td>Culture integration</td>
<td>It is a form of cultural exchange in which one group assumes the beliefs, practices, and rituals of another group without sacrificing the characteristics of its own culture.</td>
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<td>Culture interaction</td>
<td>An interactive process that involves different human beings within different formations.</td>
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<td>Culture retention</td>
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<td>Family networking</td>
<td>Business expansion through the advantages of family networking</td>
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<td>Grow of customer base</td>
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<td>Learning from prior working experience</td>
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<td>Relocation</td>
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<td>Q. 5~ We would like to know what kinds of help are beneficial to your business development, so please tell me~</td>
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<td>Factors that help business growth</td>
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<td>Advanced manufacturing facility</td>
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<td>Authenticity</td>
<td>Authentic cultural products benefit BCEs’ business growth</td>
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<td>Competitive advantage</td>
<td>No other people can compete</td>
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<td>Constantly seeking business improvement</td>
<td>BCEs are constantly seeking for business improvement</td>
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<td>Custom made</td>
<td>Tailoring to individual customer need</td>
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<td>Customer service</td>
<td>BCE provides good customer service</td>
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<td>Employee</td>
<td>Help of employee</td>
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<td>Yes</td>
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<td>Help of friends</td>
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<td>Marketing mix</td>
<td>What marketing mix BCEs use to benefit their business</td>
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<td>Place</td>
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<td>Radio</td>
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<td>Website</td>
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<td>Personality factor that fits the job</td>
<td>Personality of the BCE that helps him or her to fit in this job</td>
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<td>Prior life experience</td>
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<td>Secret recipe</td>
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<td>Start-up funding</td>
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<td>2</td>
<td>2</td>
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<tr>
<td>The crowd means money</td>
<td>When there is a crowd, there is a business opportunity to make money</td>
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<td>1</td>
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<tr>
<td>Word-of-mouth</td>
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<tr>
<td>Workshops, classes, or training on basic business management</td>
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<td>Future plan for business growth</td>
<td>Future plan of BCEs for their business expansion</td>
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<tr>
<td>Q. 6~ Next, we would like to know how you view the contribution of your business to local economic development, so please describe for me~</td>
<td></td>
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<td>17</td>
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<tr>
<td>Built capital</td>
<td>It refers to resources of the community infrastructure like buildings, places, parks, etc. This capital is related to a society’s development efforts and add value to the community development</td>
<td>7</td>
<td>9</td>
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<tr>
<td>Cultural impact</td>
<td>The influence of the culture to the BCE</td>
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<td>9</td>
</tr>
<tr>
<td>Social capital</td>
<td>The relationship between a community and the BCE. Bonding capital and bridging capital are two key aspects of social capital.</td>
<td>10</td>
<td>24</td>
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<tr>
<td>Bonding capital</td>
<td>It refers to how strong ties between people and the BCE to build and nurture a unified community.</td>
<td>5</td>
<td>5</td>
</tr>
<tr>
<td>Bridging capital</td>
<td>It engages in linking people to create and sustain a</td>
<td>9</td>
<td>17</td>
</tr>
<tr>
<td>Themes</td>
<td>Description</td>
<td>Participants</td>
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<tr>
<td>The biggest contribution of BCE to the local community development</td>
<td>relationship in a community.</td>
<td>16</td>
<td>52</td>
</tr>
<tr>
<td>Charity work</td>
<td></td>
<td>7</td>
<td>23</td>
</tr>
<tr>
<td>Customer satisfaction</td>
<td></td>
<td>6</td>
<td>8</td>
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<tr>
<td>Education</td>
<td></td>
<td>2</td>
<td>5</td>
</tr>
<tr>
<td>Feed the community</td>
<td></td>
<td>9</td>
<td>13</td>
</tr>
<tr>
<td>Keep them warm</td>
<td></td>
<td>1</td>
<td>1</td>
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<tr>
<td>Personality taste or style</td>
<td>CCIs demonstrate BCE’s personal preference or style</td>
<td>2</td>
<td>2</td>
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<td>Value creation to local economic development</td>
<td>Value creation of CCIs to local economic development</td>
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<tr>
<td>Built capital</td>
<td>It refers to resources of the community infrastructure like buildings, places, parks, etc. This capital is related to a society’s development efforts and add value to the community development</td>
<td>5</td>
<td>7</td>
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<tr>
<td>Cultural capital</td>
<td>It is the values and knowledge that groups of people engage and share in their life. This cultural capital is a resource that relates to cultural inheritance and can be</td>
<td>6</td>
<td>12</td>
</tr>
<tr>
<td>Themes</td>
<td>Description</td>
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<td>References</td>
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<tr>
<td></td>
<td>transformed into a tangible or intangible product or service and capitalized by BCEs.</td>
<td></td>
<td></td>
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<tr>
<td>destination contribution</td>
<td>Because of the CCIs, the community becomes as a destination</td>
<td>7</td>
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<tr>
<td>economic contribution</td>
<td>That includes tax revenues, incomes, job and business opportunities</td>
<td>12</td>
<td>23</td>
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<tr>
<td>educational contribution</td>
<td>Able to teach or educate local community about other culture.</td>
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<tr>
<td>Social capital</td>
<td>The relationship between a community and the BCE. Bonding capital and bridging capital are two key aspects of social capital.</td>
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<tr>
<td>sociality stability</td>
<td>Understanding each other culture and values, residents and newcomers are able to live harmony in the community.</td>
<td>4</td>
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</table>

Q. 7~ We would like to know the target market of your business

<p>| In-town customer            | Customers who shop around within where they live.                            | 2            | 2          |
| Latino group (in-group customer) | customer is from same cultural background                                      | 9            | 20         |</p>
<table>
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<td>Market coverage area</td>
<td>How far the market can be reached</td>
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<td>Mixed customer group</td>
<td>Customer includes Latino and non-Latino people.</td>
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<tr>
<td>Non-Latino customer (out-group customer)</td>
<td>Customer is from a different cultural background.</td>
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<td>14</td>
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<tr>
<td>Out of town customer</td>
<td>It means customers who are not live in a particular town, but they have to travel to the town for a particular purpose.</td>
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<td>Responses of customers</td>
<td>How customers response to the products or services that provided by the BCEs</td>
<td>13</td>
<td>22</td>
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<td>Target market ratio</td>
<td>What are the ratio of BCEs’ target market</td>
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<td>Q. 8~ We would like to know your relationships with others in the community and your business, so could you tell me~</td>
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<tr>
<td>Business network</td>
<td>The importance of business network relationship</td>
<td>8</td>
<td>9</td>
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<td>Customer will come to BCE</td>
<td></td>
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<td>7</td>
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<tr>
<td>Formal</td>
<td>BCEs use formal contact to stay in touch with their customer</td>
<td>1</td>
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<td>Social media</td>
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<td>Traditional marketing tools</td>
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<td>Informal</td>
<td>BCEs use informal contact to stay in touch with their customer</td>
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<td>Meeting outside the store</td>
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<td>Phone call</td>
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<td>Relationship between residents and BCEs</td>
<td>How is the relationship between residents and BCEs</td>
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<td>Resources of business professional</td>
<td>What kinds of the business professional resources that BCE are aware of</td>
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<td>Services provided by business professional</td>
<td>What kinds of services that are provided by these business professionals</td>
<td>13</td>
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<tr>
<td>Who</td>
<td>Who they are</td>
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<td>Sponsorship</td>
<td>What sponsorship that BCEs offer to their community</td>
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<td>Q. 9~ We would like to find out the role of</td>
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<td>Latino entrepreneur to local community, so</td>
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<td>could you tell me~ (Q6b)</td>
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<td>Built capital</td>
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<td>Community as a destination</td>
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<td>Human capital</td>
<td>It relates to the skills and talent of BCEs</td>
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APPENDIX F. CROSS COMPARISON OF FINDINGS FROM LATINO BCES AND COMMUNITY LEADERS ON RESEARCH QUESTIONS 4, 5, & 8

Cross Comparison of Findings from Latino BCES and Community Leaders on Research Questions 4, 5, & 8.

<table>
<thead>
<tr>
<th>Research questions</th>
<th>BCEs</th>
<th>Community leaders</th>
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</thead>
</table>
| Barriers and opportunities for BCEs | **Business challenges**  
- Language barriers  
- Uncontrollable issues  
- Heavy work responsibility  
- Competitors  
- Lack of time management skills  
- Lack of supplies and facilities  
- Lack of business professional knowledge and resources  
- Lack of financial capital  
- Critical business needs  
- Related training and educational programs, and technology knowledge;  
- More employees  
- Business preparation  
- Money & financial assistance  
| Problems facing Latino BCES  
- Language barriers  
- Labor and cost intense offerings  
- Lack of business capital  
- Lack of business related education in marketing management  
- Lack of business professional support  
- Lack of knowledge of business regulations  
- Lack of business resources and resource accessibilities |
| Business goals and opportunities | - Develop and serve market niches  
- Culture interaction  
- Culture retention  
- Grow of customer base  
- Business expansion |
| Factors that help or hinder Iowa BCEs sustain and grow their businesses | Business resources that benefit business growth  
- Workshops, classes, or training in business management  
- Family networking  
- Formal and Informal Business Networks | Business practices that enhance business performance  
- Word-of-mouth promotion  
- Prior business experience and knowledge in home country  
- Creating sources of competitive advantage  
- Customer satisfaction  
- Choosing right marketing mix  
- Choosing and using right marketing tools | Issues that hinder Latino BCEs  
- Competitors  
- Personality traits or demographic characteristics of BCEs  
- Quality of customer service  
- Lack of vision and trust from the business community |
| --- | --- | --- | --- |
| Value creation and economic development that created by BCEs | Value creation to local economic development  
- Social stability  
- Draw people to their communities; create a destination experience  
- Economic contribution | Community contributions of BCEs  
- Draw people to town; Community as a destination  
- Economic and community development |