

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

Hui Siang Tan

Raffles University, Malaysia

Linda S. Niehm

Iowa State University, USA

Entrepreneurs are the pillar to the economic development in the United States. Entrepreneurial businesses, in Iowa, account for 99.3% of all businesses, creating a significant contribution to the state's economy. Because of the global and U.S. demographic restructuring, Latino immigrants have greatly impacted economies of rural and urban areas. Latino small business endeavors account for 4% and 5.5%, respectively in U.S. business revenues and employment. Latino-owned businesses tend to feature products and services in the U.S. that are inspired by their culture, heritage, and resources of the country of origin. Latino business owners, selling cultural products or services (e.g. Quinceañera, apparel, arts, foods, and music) are referred to in this research as bi-cultural entrepreneurs (BCEs). These innovative Latino immigration entrepreneurs are seizing opportunities and transforming cultural and intellectual property into new businesses that impact economic development. Between 2010 and 2019, Latino population grew from 16% to 18% of the total population, which accounted for more than 52% of the total U.S. population growing rate. These Latino newcomers are widespread across urban and rural areas of the U.S. In Iowa, immigrants have revitalized communities in many ways, such as the infusion of different cultural perspectives and strengthening of the workforce. The purpose of this study was to: 1) analyze perceived barriers and opportunities to business ownership for Latino BCEs selling cultural-related products in selected urban and rural communities of Iowa, and 2) gain insight into BCEs potential impact on community and economic development. Using Community Capitals framework, semi-structured in-depth interviews (N=10) were conducted in selected Iowa communities to explore the above-mentioned purpose. Participants were purposely selected with the assistance of Extension professionals who worked closely with Hispanic community members. The sample consisted of Latino BCEs who own cultural-related businesses in a rural and urban Iowa community. Interviews were audiotaped and transcribed for purposes of analysis. Qualitative methods were used for coding and development of emergent themes. Primary themes for barriers included language issue, lack of start-up cost and business resources and resource accessibility, lack of business management knowledge and business professional support, and lack of entrepreneurial mindset. Themes for opportunities included grow customer base, business expansion, cultural interaction, and culture retention. To date, no study has examined Latino bi-cultural entrepreneurship in cultural-related businesses and its impact on community and economic development. This research fills a literature gap and has important implications for the study of bi-cultural

entrepreneurship. Latino BCE is a growing individual enterprise that has significantly affected Iowa economy. The results of this study provide foundational information needed for development of educational and business assistance materials concerning entrepreneurship education for cultural-related retail BCEs. Future research could examine a larger and more diverse sample of BCEs in the U.S., and/or other countries to have a better understanding of the startup stage of growth for BCEs and the potential cultural and economic benefits to its community economic development.

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