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Title: Bangladeshi Immigrant entrepreneurs of London and Luton

Supervisors: Prof. Hartmut Berghoff (University of Gottingen), Prof. Jeffrey Fear (University of Glasgow), Prof. Paloma Fernandez (University of Barcelona)

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By: Shreya Roy Choudhury

Email: s.choudhury@stud.uni-goettingen.de

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Introduction

The United Kingdom (UK) is home to the largest proportion of Bangladeshis outside of Bangladesh, amounting to a figure of 447,201 as of the 2011 census.¹ Tower hamlets in London comprise of half of the Bangladeshi population in UK with the figure amounting to 222,127 according to the 2011 census. Birmingham consists of the largest population of Bangladeshis outside London, with Oldham coming second and Luton having the third largest population in UK outside London.² Most of these Bangladeshi immigrants open their own enterprises and exhibit entrepreneurial behaviour outside of their home country. According to Aldrich, Waldinger and Ward, immigrants open their own enterprise in the host country due to entry barriers in the job market, causing ethnic entrepreneurship as the only means of economic survival.³ One of the aims of this study is to understand the motivations behind these Bangladeshi entrepreneurs to take up self-employment, whether it was a result of blocked opportunities or other factors contributed to it as well.

The research focuses specifically on the Bangladeshi immigrant entrepreneurs in London and Luton and analyses the evolution in business practices over the second and third wave of the Bangladeshi businesses in these two areas. The focus is on the food sector, mostly the curry restaurants and some Bangladeshi sweet shops. Curry restaurants are an important part of the British economy, with studies suggesting that they accounted for higher monetary turnover in Britain compared to shipbuilding, steel and coal combined during the 20th century.⁴ Most of the curry houses in London and Luton are owned by Bangladeshis of Sylheti origins.⁵

¹ "Population of England and Wales," GOV.UK Ethnicity Facts and Figures, April 30, 2019, Accessed May 10, 2019. <https://www.ethnicity-facts-figures.service.gov.uk/uk-population-by-ethnicity/national-and-regional-populations/population-of-england-and-wales/latest>.

² *ibid*

³ Roger David Waldinger, Howard Aldrich, and Robin Ward, *Ethnic entrepreneurs: Immigrant business in industrial societies*, (Vol. 1. Sage Publications, Inc, 1990), p.23

⁴ Ravi Arvind Palat, "Empire, food and the diaspora: Indian restaurants in Britain," *South Asia: Journal of South Asian Studies* 38, no. 2 (2015): p.172.

⁵ Roger Ballard, and Marcus Banks, *Desh pardesh: The South Asian presence in Britain*, (C. Hurst & Co. Publishers, 1994); Elizabeth Buettner, "'Going for an Indian': South Asian restaurants and the limits of multiculturalism in Britain," *The Journal of Modern History* 80, no. 4 (2008): pp.865-901; Jo Monroe, *Star of India: The spicy adventures of curry*, (John Wiley & Sons, 2005); Palat, "Empire, food and the diaspora: Indian

According to the British Caterers association (BCA), Bangladeshis own 12000 restaurants and takeaways in the UK, which has a turnover of £4.2 billion in the catering sector.⁶ Bangladeshi immigrant entrepreneurs are an important case study because they have a huge contribution to the UK economy, particularly in the curry industry. The curry industry is an integral part of the UK economy as curry is an important component of the British palate. Thus, it is important to understand the motivations behind these Bangladeshi immigrants to be a part of the curry business and study their business practices to understand how they adapt to the changing socio-economic and political environment of UK, which might have policy implications for the policy makers. The few sweet shops are part of the study because the third wave migrants interviewed in Luton owned these shops and the target area did not have any third wave restauranters, so this study also analyses why some of them deviated from the restaurant business to managing sweet shops.

The time frame this study would focus on is from 1971 to the present. The starting period is from 1971 because this year marked the independence of Bangladesh from Pakistan. Thus, it is easier to distinguish between Bangladeshi entrepreneurs from Pakistani ones and lays a clear ground for analysis. The broad question this study would try to answer is: To what extent the business practices of various Bangladeshi entrepreneurs have changed in the light of the changing economic and political landscape of UK from 1971 to the present. Business practice in this context is defined as “any tactic or objective a business conducts to reach its objectives.”⁷ Primarily, the objective of every business is to make money and become profitable, however, according to a research by Chaganti and Greene, ethnic minority businesses, more commonly known as “ethnic entrepreneurs” also place the development of the ethnic community as a primary objective.⁸ Their research redefined the term “ethnic entrepreneur” as the ones who are heavily involved with the ethnic community and their business goals include the development of the community. One finding of the research is that, businesses heavily involved with the community tend to be less successful than the ones which are not.

restaurants in Britain" ; Nicola Frost, "Green curry: Politics and place-making on Brick Lane," *Food, Culture & Society* 14, no. 2 (2011): pp.225-242.

⁶"Home," BCA 1960, Accessed August 05, 2019, <http://bca1960.com/>.

⁷ "Business Practice," The Free Dictionary, Accessed August 05, 2019, [https://financial-dictionary.thefreedictionary.com/Business Practice](https://financial-dictionary.thefreedictionary.com/Business+Practice).

⁸Radha Chagnati and Patricia G. Greene, "Who are ethnic entrepreneurs? A study of entrepreneur's ethnic involvement and business characteristics," *Journal of Small Business Management* 40, no. 2 (2002): pp.126-143.

This study would also investigate whether the Bangladeshi entrepreneurs in the food sector fall under this ethnic entrepreneur category, by analysing the characteristics of the different business practices of these Bangladeshi run enterprises in London and Luton. The study specifically focuses on London and Luton because, as mentioned before, the Tower Hamlets area in London has the highest proportion of Bangladeshi population and enterprises. Luton having the fourth largest concentration of Bangladeshis in UK, serves as a good location for comparing the characteristics and motivations of business owners between the most concentrated (London) and relatively less concentrated (Luton) cities in UK. The concentration of Bangladeshi population might play a key role in influencing the business characteristics, as businesses may have different strategies when focusing on Bangladeshi customers compared to non-Bangladeshi ones. Also, a higher Bangladeshi population may enforce community norms among the businesses, which may not happen in the less concentrated neighbourhood.

Therefore, it would be interesting to see if any differences arise in characteristics between businesses in these two parts of UK. On a larger scale, this research tries to study the Bangladeshi immigrant entrepreneur as a whole in London and Luton to understand the push, pull, success and challenges faced by this immigrant group, which has not been widely studied in academia and contribute to the immigrant entrepreneurship field. The rest of the paper is organized in the following way: chapter 2 provides the literature review and the research questions and discusses the theoretical framework used for analysing this paper ; Chapter 3 describes the research methodology used; chapter 4 talks about the historical background regarding the Bangladeshi migration to the UK and reasons for taking up self-employment in the food sector; Chapter 5 analyses the second and third wave of Bangladeshi immigrant entrepreneurs and answers the research questions; the last chapter concludes.

Chapter 2: Literature review and theoretical framework

2.1: Literature review

Immigrant entrepreneurs or ethnic entrepreneurs are the most commonly and interchangeably used terms to define entrepreneurs of non-Caucasian origins. Waldinger et al defined ethnic entrepreneurship as “a set of connections and regular patterns of interactions among people sharing common national background or migration experiences”.⁹ However, Chagnati and Greene argue that this definition restricts the entrepreneurial activity within an ethnic group or migrant group and may not accurately capture the business practices of different immigrant entrepreneurs.¹⁰

For instance, many immigrant entrepreneurs in high tech sector have customers outside their ethnic community and thus the term ethnic entrepreneur is not an appropriate definition for this group of entrepreneurs. Chagnati and Greene argue that immigrant entrepreneurs and ethnic entrepreneurs are different concepts, defining immigrant entrepreneurs as “individuals who, as recent arrivals in the country, start a business as a means of economic survival. This group may involve a migration network linking migrants, former migrants, and non-migrants with a common origin and destination”¹¹ while ethnic entrepreneurs are the ones who are heavily involved with their community and place community goals over business goals.¹²

Most of the scholarship on South Asian immigrant entrepreneurs use the term ethnic entrepreneur to characterise this group¹³ without investigating the extent to which these

⁹ Waldinger et al., *Ethnic entrepreneurs: Immigrant business in industrial societies*, p.33

¹⁰ Chagnati & Greene, "Who are ethnic entrepreneurs? A study of entrepreneur's ethnic involvement and business characteristics," p.127

¹¹ Ibid, p.128

¹² Ibid, p.132

¹³ Monder Ram, Trevor Jones, Tahir Abbas, and Balihar Sanghera, "Ethnic minority enterprise in its urban context: South Asian restaurants in Birmingham," *International journal of urban and regional research* 26, no. 1 (2002): pp.24-40; Anuradha Basu and Arati Goswami, "South Asian entrepreneurship in Great Britain: factors influencing growth," *International Journal of Entrepreneurial Behavior & Research*, no. 5 (1999): pp.251-275; Giles A. Barrett, Trevor P. Jones, and David McEvoy, "Ethnic minority business: theoretical discourse in Britain and North America," *Urban studies* 33, no. 4-5 (1996): pp.783-809; Anuradha Basu and Arati Goswami, "Determinants of South Asian entrepreneurial growth in Britain: a multivariate analysis," *Small Business Economics* 13, no. 1 (1999): pp.57-70; Darshan Bachkaniwala, Mike Wright, and Monder Ram, "Succession in South Asian family businesses in the UK," *International Small Business Journal* 19, no. 4

entrepreneurs are involved with the ethnic or migrant community. Moreover, as mentioned before there is not much individual literature studying the characteristics of the Bangladeshi Immigrant entrepreneurs in the UK. Thus, the first research question this paper will pose is the extent to which Bangladeshi immigrant entrepreneurs in London and Luton display ethnic entrepreneurial characteristics.

R1: Do Bangladeshi immigrant entrepreneurs display 'ethnic entrepreneurial' characteristics?

Many immigrant entrepreneurship scholars suggest that migrants take up self-employment as a consequence of blocked opportunities in the host society. The blocked opportunities are a result of insufficient or sometimes non-existent language skills, education and experience which inhibits the migrants from entering the job market in the host country. This compels them to take up self-employment as the only viable means of survival.¹⁴ Soni et al argue to the contrary, stating that self-employment provides South Asian immigrants an avenue of financial mobility and gaining independence from the host country environment.¹⁵ Thus, there are differing views as to the motivations behind South Asian migrants becoming entrepreneurs.

The study on South Asian migrant businesses largely attributes their success to cultural characteristics of being thrifty, hard-working and engaging family members for business operations.¹⁶ According to Soar, these cultural characteristics or perhaps cultural capital allow the South Asian businesses to gain a competitive edge over other ethnic minority businesses for instance the Afro-Caribbean minority group.¹⁷ Research suggests that South Asian

(2001): pp.15-27; Leo Paul Dana, *Handbook of research on ethnic minority entrepreneurship: A co-evolutionary view on resource management*, (Edward Elgar Publishing, 2007); Rebeca Raijman and Marta Tienda, "Immigrants' pathways to business ownership: A comparative ethnic perspective," *International migration review* 34, no. 3 (2000): pp.682-706; Monder Ram, "Ethnic minority enterprise: an overview and research agenda," *International Journal of Entrepreneurial Behavior & Research* 3, no. 3 (1997): pp.149-156.
¹⁴Thierry Volery, "Ethnic entrepreneurship: a theoretical framework," *Handbook of research on ethnic minority entrepreneurship: A co-evolutionary view on resource management* (2007): p.32.

¹⁵ M. Soni S. Tricker, and R. Ward, "Ethnic minority business in Leicester," *Birmingham: Aston University* (1987), cited in Barrett, "Ethnic minority business: theoretical discourse in Britain and North America," p.788

¹⁶ Pnina Werbner, "Renewing an industrial past: British Pakistani entrepreneurship in Manchester," *In Migration: The Asian Experience* (1994), pp.104-130

¹⁷S. Soar, "Business Development Strategies TECs and Ethnic Minorities Conference Report," *Home Office Ethnic Business Initiative, Warwick University, Coventry* (1991).

businesses in Britain benefit from being part of an ethnic enclave¹⁸, which provides them with essential resources such as capital and labour, increasing their chances of survival in the host economy.¹⁹

Empirical research conducted by Ballard et al and Werbner, on South Asian businesses in Britain, also found a positive impact of being part of an ethnic enclave on South Asian businesses. The rationale is that being a part of an ethnic enclave allows the businesses to have access to market information of the community they are part of, which in turn becomes a market niche, whose market demands are fulfilled by the ethnic entrepreneurs.²⁰ Moreover, being part of an enclave allows them to have repeat customers due to personal relations formed with the community, which allows the business to prosper in the host country. However, some studies find that being part of an ethnic enclave can restrict the growth of the enterprise due to over reliance on the community for labour, capital and as a customer segment.²¹

Chagnati and Greene found that immigrant entrepreneurs more involved with the community tend to place goals of the community over the profitability of the business, while immigrant entrepreneurs less involved with the community display opposite characteristics of placing business goals above all.²² They also found that high level of community involved among the entrepreneurs led to the adoption of a product differentiation and segmentation business strategy, while less community involved entrepreneurs exhibited more cost savings business strategy.²³ Thus, to some extent they found that highly involved immigrant entrepreneurs tend to be more innovative compared to the less involved ones.

Basu et al argue that South Asian entrepreneurs in Britain do not solely rely on ethnic resources for survival in the UK economy. They believe that only focusing on ethnic resources as the key

¹⁸ Business entities with an employer or with the majority of employees from the same native place. Definition adopted from: Chunni Zhang and Yu Xie, "Ethnic enclaves revisited: Effects on earnings of migrant workers in China", *Chinese Journal of Sociology*, no.2, (2016): p.216

¹⁹ Waldinger et al, *Ethnic entrepreneurs: Immigrant business in industrial societies*.

²⁰ibid

²¹ Trevor Jones, *Britain's ethnic minorities: an analysis of the Labour Force Survey*, Vol. 721, (London: Policy Studies Institute, 1993); T.H. Metcalf Modood and Virdee, S., *Asian self-employment: The interaction of culture and economics in England*, No. 824 (Policy Studies Institute,1996)

²² Chagnati and Greene. "Who are ethnic entrepreneurs? A study of entrepreneur's ethnic involvement and business characteristics."

²³ ibid

strategy for ethnic entrepreneurs overlooks the importance of other factors such as the educational background, previous experience and managerial practices of the ethnic entrepreneur.²⁴ They state that, although initially the ethnic entrepreneur may start off with the help of ethnic resources, they later expand the business by adopting strategies based on the market conditions and improving their managerial practices.²⁵

This hypothesis is in conjunction with economic theories of entrepreneurship, which emphasize the importance of market information and business strategies based on market conditions as key determinant for business success.²⁶

The literature provides differing views on the push, pull, success factors and different strategies adopted by South Asian immigrant entrepreneurs to sustain themselves. In the light of these differing views, the second and third research question this paper would explore is the motivations and business practices of the Bangladeshi immigrant entrepreneurs in London and Luton between the second and third immigration waves. Different immigration waves are considered to capture the impact of the changing economic and political landscape of UK on these businesses.

R2: What are the differences in business practices between the second and third waves of Bangladeshi immigrant entrepreneurs between London and Luton?

R3: What are the push, pull, challenges and success factors for these businesses?

2.2: Theoretical framework

2.2.1: Ethnic entrepreneurs interaction model

This paper would make use of two theoretical models for the analysis and discussion section. The first one is the interaction model developed by Waldinger et al.²⁷ for ethnic entrepreneurs, which details the different strategies and practices immigrants undertake to sustain themselves in the host economy and would be used to analyse the business practices of the Bangladeshi

²⁴ Basu, "South Asian entrepreneurship in Great Britain: factors influencing growth," p.253

²⁵ ibid

²⁶ Israel M Kirzner, *Competition and entrepreneurship*, (University of Chicago press, 2015); Mark Casson, *The entrepreneur: An economic theory*, (Rowman & Littlefield, 1982)

²⁷ Waldinger et al., *Ethnic entrepreneurs: Immigrant business in industrial societies*, pp.21-48

immigrant entrepreneurs discussed in length in chapter five. The model outlines different factors which determine the opportunity structure of an immigrant entrepreneur:

1) Market conditions

Ethnic consumer products: According to Waldinger et al. market conditions are the most important element for creating opportunity for an ethnic entrepreneur. This is rather apparent, because without a market for their products there would not be any necessity for the immigrant run business. The authors argue that the most effective market for ethnic entrepreneurs is provided by members of their own ethnic community as the entrepreneurs would be able to understand the community needs better and thus it would act as a market niche, with high barriers to entry for entrepreneurs outside the ethnic group.

Non-ethnic consumer products: Catering only to the ethnic community would limit growth possibilities for the immigrant run businesses, so the model suggests ways in which immigrant entrepreneurs can access the open market. One way is to serve markets that are neglected by the local businesses. Immigrants usually live in under developed areas with less facilities and thus immigrant entrepreneurs can set up businesses in those areas to cater to the needs of the locals which would enable them to have a market base beyond the ethnic community. This strategy is known as acting as the middle man minority.

Low economies of scale: Another strategy that immigrant entrepreneurs can adopt is operate in markets with low economies of scales. These are markets such as food or retailing sector and the immigrant entrepreneurs can thrive through a strategy of self-exploitation. In this strategy, immigrant entrepreneurs work longer hours than their native counterparts, and provide a wider selection of goods and sell goods on credit. The authors believe it is a strategy that immigrant entrepreneurs can easily undertake without incurring additional costs.

Ethnic goods: The final strategy that the immigrant entrepreneur can pursue is providing ethnic goods to the wider market. This is possible when the native population develops a taste for the ethnic product, which enables the immigrant entrepreneur to reach a wide market base due to the specialised knowledge of the product.

2) Access to ownership

Business vacancies: The authors claim that immigrant run business set off in a particular sector due to ethnic succession. Meaning, the immigrant entrepreneurs take over businesses which the native entrepreneurs are reluctant to take over and abandoned by the previous immigrant

group. In this way, the entrepreneurs do not displace either group and can sustain themselves due to lack of intense competition.

Government policies: The rules and regulations governing the host country determine the complexity of the procedures involved in immigrant entrepreneurs owning establishments. Restrictive government policies would make it difficult for immigrant businesses to thrive and vice versa. However, since the immigrants entered industries that disinterested the natives, the government policies are usually less stringent and enabled the immigrant entrepreneurs to enter the sector.

3) Resource mobilization

Close ties between co-ethnics: A close knit ethnic community or an enclave community creates the critical mass necessary for the formation of ethnic associations which help reinforce the ethnic identity of the entrepreneurs. This ethnic cohesion makes resource mobilization for immigrant entrepreneurs easier.

Ethnic social networks: Ethnic social networks are an important source of labour, customers and raising capital for the immigrant entrepreneur. Also, being part of a strong ethnic network enables the immigrant entrepreneur to get access to different kind of legal and financial advice.

The above paragraphs outlined different factors that would facilitate the growth of immigrant run businesses in the host country. These strategies would serve as the basis of analysis in understanding the business practices of Bangladeshi immigrant entrepreneurs and the evolution these practices went through between two subsequent migration waves.

2.2.2: Ethnic entrepreneurs' model

The second model used for this paper is the ethnic entrepreneurs' theory developed by Chagnati and Greene.²⁸ As mentioned earlier on, one of the research questions this paper will explore is the extent to which Bangladeshi immigrant entrepreneurs exhibit ethnic entrepreneurial characteristics. Thus, it is important to breakdown the attributes that characterise an ethnic entrepreneur according to Chagnati and Greene's theory.

According to them, ethnic entrepreneurs are defined as entrepreneurs who have a high level of personal involvement with their ethnic community. The high level of community involvement

²⁸ Chagnati and Greene. "Who are ethnic entrepreneurs? A study of entrepreneur's ethnic involvement and business characteristics."

is tied to the entrepreneur's personal well-being. Moreover, entrepreneurs who are heavily involved with the community have different individual and firm characteristics compared to the ones who are less heavily involved. Meaning, the level of involvement is a result of the entrepreneur's personal values and business goals. Furthermore, the greater and variety of the entrepreneur's personal ties with the ethnic community, the more involved the entrepreneur is considered with them.

The authors further theorize that entrepreneurs who largely socialize among other co-ethnics, live within an ethnic neighbourhood and are an active participant of the community organizations and hold a strong sense of accountability to the well being of the community can be considered as heavily involved with the community. However, entrepreneurs who are more entrenched within the community will have lower levels of personal resources and their business will display more disadvantages. Entrepreneurs with higher community involvement will have greater business-related interactions with the community. In addition, entrepreneurs who place more emphasis on community goals will place less importance on the financial goals and more importance to family goals along with the community goals.

In the case of business strategies, more involved entrepreneurs will pursue strategies that are less likely to give a competitive edge to their business. This will lead to a lower business performance and financial success for these ethnic entrepreneurs because they only rely on the ethnic community which constrains their growth prospects. Also, the business would rely mostly on resources, such as workers, customers, competitors, suppliers, channels, advisors and board members which are from the ethnic community.

The analysis section would investigate the extent to which Bangladeshi immigrant entrepreneurs display the above characteristics and can be termed as ethnic entrepreneurs.

Chapter 3: Methodology

3.1 Research design

The research is designed in a way to understand the business practices of the Bangladeshi immigrant entrepreneurs and conduct a detailed comparison between the second and third wave of Bangladeshi immigrant entrepreneurs. The purpose of this research is to get an in depth understanding of the Bangladeshi Immigrant entrepreneurs in the food business in UK, namely, their motivations behind entering the food sector, the factors that contributed to their success and the challenges faced by them. A comparison between the second and third migration wave of entrepreneurs is conducted to capture the impact of the changing economic and political landscape of UK on the business practices of these entrepreneurs. The findings from the comparison will provide insights about the extent to which these businesses are adaptable to changing market conditions and the future of the Bangladeshi run food business in the UK.

The research uses a qualitative approach to analyse the data gathered from semi-structured and in-depth interviews, observation and secondary research conducted on South Asian entrepreneurs. For this paper, interviews are the most appropriate form of data collection as they are “well suited to understanding the social actor’s experience, knowledge and worldviews”.²⁹ Since there has not been much research conducted in understanding the entrepreneurial experiences of the second and third waves of Bangladeshi immigrant entrepreneurs, conducting interviews is the most effective way to collect primary data. In addition, the interviews will act as a supplement to the existing research and compare and contrast the findings by different authors on South Asian entrepreneurs. Thus, the data collected from the interviews can be used for any future research conducted on Bangladeshi immigrant entrepreneurs in the UK.

3.2 Research setting

The research was situated in the Tower Hamlets and the Whitechapel area of East London and the Bury Park area of Luton. These two areas were selected because East London harbours the highest population of Bangladeshis outside of Bangladesh and also has the largest Bangladeshi

²⁹ Thomas R. Lindlof, and Bryan C. Taylor, *Qualitative communication research methods*, (Sage publications, 2011), p.173

population in the UK, while Luton has the fourth largest concentration of Bangladeshis in UK. Comparing these two places will provide insights on whether having a high concentration of Bangladeshis has any impact on the strategies adopted by these businesses. As mentioned before, Chagnati and Greene describe immigrant entrepreneurs who are heavily involved with the community as ethnic entrepreneurs. According to their study, this category of entrepreneurs tends to be less successful than their less community involved counterparts. So, by comparing the entrepreneurs between East London and Luton, this research will firstly explore, whether the entrepreneurs in these two areas exhibit ethnic entrepreneurial traits and secondly, do entrepreneurs situated in heavily concentrated ethnic neighbourhoods (East London) exhibit more ethnic entrepreneurial characteristics than comparatively less heavily concentrated ethnic neighbourhoods (Luton).

3.3 Data collection method

3.3.1 Primary sources

Primary data was gathered by interviewing Bangladeshi immigrant entrepreneurs in the food sector and different members of the community who are not involved with the business. A total of 17 participants were interviewed of which 10 are entrepreneurs and the rest are members of the community development organizations, residents of the area in which the entrepreneurs operate and entrepreneurs outside the food sector. Of the ten entrepreneurs five are from East London and five are from Luton. Among the five in East London, two are from the second immigrant wave and three are from the third migration wave, Luton has the same categorisation. Among the ten entrepreneurs interviewed seven own restaurants and three own sweet shops. The entrepreneurs were selected through a random sampling method by selecting random food businesses from the targeted areas. Prior to the interview, the researcher surveyed both the areas, and made appointments with the owners. The interviews were conducted in a span of one month from 5th April to 4th May, 2019. Online research was conducted on the businesses, whose owner agreed to be interviewed to understand the status and popularity of the business and to compare it with the owner's answers.

The questions were designed in a way so that the owners could give detailed answers. A sample of the semi-structured questionnaire used can be found in the appendix. The non-entrepreneurs interviewed were carefully chosen based on their profile and their knowledge and experience

with the Bangladeshi community. Open ended interviews were conducted with the non-entrepreneurs to elicit the maximum amount of information.

The non-entrepreneurs were interviewed to get an outsider perspective on the businesses and to get an understanding of the evolution undergone by the businesses to adapt to the changing times from a community perspective. All the interviews conducted with entrepreneurs and non-entrepreneurs lasted between 30-60 mins. Before carrying out the interviews, each participant was given a consent form and plain language statement outlining the purpose of the interview and the data treatment policy (attached in the appendix) to sign and were asked if they were willing to be recorded. Only two out of the 17 participants consented to be recorded, for the others hand written notes were taken during the interview.

Alongside the interview, the researcher used the observation and participant observation method to gather data. Participant observation is the "combination of participation in the lives of the people being studied with maintenance of a professional distance that allows adequate observation and recording of data".³⁰ The business surrounding such as the business décor and the busyness of the businesses was observed to get an understanding of the marketing strategy and state of the business.

3.3.2 Secondary sources

In addition to the primary data, published journal articles and books on South Asian entrepreneurs and Bangladeshi immigrant entrepreneurs in Britain are being used for the paper. The secondary literature is an important source of information because it helps cross check the reliability of the primary sources and compensates for the small sample size of the participants. Most of the secondary sources were accessed through online databases but the researcher also went to the British Library and the Tower Hamlets local history archives in London to access books and posters about the history of the Bangladeshi community in UK.

3.4 Limitation

One of the limitations of this study is the small sample size of the participants which makes it difficult to draw constructive conclusions. However, the use of secondary sources helps in providing more comprehensive understanding of the business and Bangladeshi community which helps offset this limitation. Another limitation is the inherent biases the interviewees

³⁰ DM Fetterman, *Ethnography Step by Step*, (Thousand Oaks, CA: Sage Publications,1998) ,pp.34-35.

may have while answering questions. The entrepreneurs tend to paint a positive image of their businesses, while the non-entrepreneur's nature of relationship with the various business owners may impact the way in which they answer the questions. However, this limitation was attempted to overcome by asking the same questions in different ways and to different participants to verify the responses.³¹

³¹Lindlof, *Qualitative communication research methods*

Chapter 4: Historical Background

4.1: Migration of Bangladeshis to East London and Luton

4.1.1: Reasons for migrating to East London

The history of Bangladeshi migration to the UK has primarily been of an economic nature. Chiswick describes economic migrants as “those who move from one place of work and residence to another, either within a country or international boundary, primarily because of economic opportunities, as distinct from refugees and those who move because of the migration decisions of others”.³² Economic migrants self-select the destination country because it provides the type of opportunity that they were looking for. For the Bangladeshis, it was no different when they had the opening to go to UK.

The biggest motivations for the Bangladeshi migrants to come to London was the hope of making a fortune and buy a land back in Bangladesh. Land ownership symbolizes status in the Bangladeshi society and this drove them to undertake hard labour in the ships of the British East India company. These men were already working as labourers in the Bangladeshi farmlands, however to them, working as a labourer under a foreigner was preferable to working as a labourer under a Bangladeshi because the former was taking place outside Bangladesh and so had no social stigma attached to it.³³ Also, due to the higher bargaining power of the pound, doing hard labour in London allowed them to earn more and be able to afford a land quicker than working in Bangladesh. This is consistent with the immigrant entrepreneurship theory which states that so long as the migrants have an expectation to return to their motherland, accruing money is the primary driver because it would enable them to acquire farmlands in their home country rather than gaining social mobility in the host country.³⁴

The migration of Bangladeshis to UK is an old phenomenon which predates the formation of Bangladesh and started since the 18th century.³⁵ The migrants in question can be accurately identified as Bangladeshis because they originated from the town of Sylhet, which was part of Bengal before the partition and is now part of present-day Bangladesh. Interestingly, most of

³² Caroline B. Brettell, and James F. Hollifield, eds. *Migration theory: Talking across disciplines*, (Routledge, 2014), p.61

³³ Ballard, *Desh pardesh: The South Asian presence in Britain*

³⁴ Waldinger et al, *Ethnic entrepreneurs: Immigrant business in industrial societies*

³⁵ Michael Young et al, *The new East End: kinship, race and conflict* (Profile books, 2011), p.36

the Bangladeshi migrants in UK originate from Sylhet, which resulted in Sylhet being called the London of Bangladesh. The reason behind this large number of Sylhetis in UK was due to the trade relations between Sylhet and Calcutta. Calcutta was an important port city during the British colonial rule, where the headquarters of the British East India company were established. Sylhet was rich in timber and tea leaves, which was sent to Calcutta through the inland water way networks, for exporting to Europe.³⁶ Sylhet relied heavily on river routes rather than roads for transportation. As a result, Sylhet was one of the first districts to make use of steamships, enabling the Sylheti labourers to learn about the mechanisms of these ships.³⁷ The Sylheti labourers who went to Calcutta for transferring the shipment were recruited in the East India company ships enroute to London as *lascars*³⁸ due to their specialized knowledge of steamships compared to labourers from other districts.

However, being recruited in the ship was a competitive task as there were many physically fit men interested to work in the British ships from Bangladesh. As a result, it was important to have strong ties with brokers who helped arrange accommodation and the necessary documentation to be able to work on the ships. The Sylheti brokers held a monopoly in the recruitment of the *lascars* and preferred to provide opportunities to only those who were members of their kinship group. Thus, being part of the right social network played a determinant role in the Bangladeshi *lascars* making it to Britain.³⁹ The *lascars* faced deplorable working conditions on the ships, leading to many of them jumping ships on the London docks as they knew their fellow Bangladeshi kin could accommodate them.⁴⁰

In addition to *lascars*, there were a large number of students who migrated to London during the 1950s. These students left the then East Pakistan to escape political persecution due to their political affiliations with groups fighting to make Bangladesh an independent country and as Britain had no immigration restriction during that time, it was the most obvious choice of destination. These students came from a relatively wealthy family and had a little bit of capital when they entered the UK. However, due to currency controls, they could not enter with a substantial amount of money and relied on other Bangladeshis for accommodation and financial support. There were a few Bangladeshi owned houses in the East End and even if they

³⁶ *ibid*

³⁷ Monroe, *Star of India: The spicy adventures of curry*, p.81

³⁸ Lascar is the term given to Bangladeshi seamen on the British ships

³⁹ Ballard, *Desh Pardesh: The South Asian presence in Britain*, p.147

⁴⁰ *ibid*

did not have any relatives, being Bangladeshi enabled them to get accommodation in those houses.⁴¹

A typical accommodation for Bangladeshi migrants in London comprised of ten to twenty men sharing one room, organized in a boarding house style fashion. These accommodations were in the Spitalfields Tower Hamlets area of East London, and that area soon became renowned as the South Asian quarters of London.⁴² The Tower Hamlets has a long history of housing migrants from different ethnicities. Prior to the Bangladeshis, it accommodated French Huguenots and Eastern European Jews dating back since the 17th century. Through their hard work, these migrant groups were able to attain social mobility and move out of Spitalfields. In fact, the boarding houses that the Bangladeshi *lascars* occupied used to be Jewish synagogues.⁴³ Thus, by default the Spitalfields became the new home for the Bangladeshi first wave of migrants.

4.1.2: Reasons for migrating to Luton

The history of South Asian migrants to Luton dated back to the 1960s, when the British started recruiting men from the New Commonwealth countries- the non-Caucasian British colonies – to fill in the labour demands in the manufacturing sector. However, after the British textile mills shutdown during the 1960s and 1970s, these South Asian migrants were employed as labourers in the Vauxhall motor company.⁴⁴ Among the South Asians, there were a significant number of Bangladeshis who also originated from Sylhet, although the literature does not explicitly mention why this was the case. Perhaps due to the trade relations between Sylhet and Calcutta, it was easier to recruit the Sylhetis or these were some of the *lascars* from the London docks, who migrated to Luton for work. Since Luton is quite close to London and since most of the Bangladeshi immigrants to Luton came during the end of the 1960s, it is highly likely that they migrated from London.

The Bangladeshi migrants in Luton resided in the Bury Park area. This area housed the largest number of Luton's post war New Commonwealth migrant population, the majority of who

⁴¹ Monroe, *Star of India: The spicy adventures of curry*, p.101

⁴² Mahmoud A Rauf, *Brick Lane, Banglatown and British Bangalee* , (Generation PPA, 2017)

⁴³ Anne Kershen, *Strangers, Aliens and Asians: Huguenots, Jews and Bangladeshis in Spitalfields 1666-2000*, (Routledge, 2004).

⁴⁴ Ashraf Hoque, *Being, young, male and Muslim in Luton*, (UCL Press, 2019), p.27

were Muslims.⁴⁵ As was the case in East London, the Bangladeshi migrants along with some other South Asian migrants shared a room with each other, which allowed them to form close ties with each other.⁴⁶ The following sub section would discuss how these close ties played an important role in facilitating entrepreneurship within the Bangladeshi immigrant community.

The primary motivator for migrating to Luton was land ownership, which was also the case for the Bangladeshi migrants in East London.⁴⁷ Consequently, the pursuit of fulfilling their economic opportunities caused the Bangladeshi diaspora to be dispersed across different parts of the UK. However, one important thing to be noted is that migration to UK was easier back then due to slacker immigration laws and high demand for cheap labour from the British colonies. Thus, the economic climate was more conducive for the Bangladeshis to pursue economic opportunities in the UK.

4.2: Settlement of the Bangladeshi community

The term sojourner can be used to describe the first wave of Bangladeshi migrants who came to UK during the beginning of the 20th century up until the 1960s. According to Bonacich, sojourners are migrants who see themselves as temporary rather than permanent, with every intention of returning to their home country.⁴⁸ Bonacich further elaborates that the sojourners are motivated by goals which are complete opposite of the conventional settlers. The sojourner does not have much interest in social interaction or integrating to the host society and their motivation and dedication to fulfilling their goals makes them a resilient form of entrepreneur able to withstand the most competitive and labour-intensive sectors of the economy.⁴⁹ The Bangladeshi migrants were driven by the goal to make enough money to return home and buy a land. From the beginning, they had no intention of settling in the UK but return to their family back home after accumulating enough money. They mostly associated with other Bangladeshi

⁴⁵ ibid

⁴⁶ Ashraf Hoque, "Muslim Men in Luton, UK: 'Eat First, Talk Later'," *South Asia Research* 35, no. 1 (2015): p.85

⁴⁷ Ashraf Hoque, "Generation Terrorised: Muslim Youth, being British, and not so British," (*Unpublished PhD Thesis London, SOAS, University of London*, 2011), p.18

⁴⁸ Edna Bonacich, "A theory of middleman minorities," *American sociological review* (1973): p.584

⁴⁹ ibid

migrants and majority of them did not speak English which limited them from socializing outside the Bengali speaking community.⁵⁰

It is evident so far, that the Bangladeshi society is structured in a way that social ties and kinship groups played a very important role. These kinship ties transcended national boundaries and existed among the Bangladeshi migrants in UK. In fact, the sense of ethnic solidarity was stronger among the Bangladeshi men in UK, because they lived together in a single room and were always in each other's company. These ties and a strong sense of community enabled them to secure employment and raise capital for starting a business.

For instance, the first Bangladeshi migrants who lived in the UK for a few years helped employ the new comers in their enterprise. Most of the Bangladeshi migrants went into the food business, primarily to meet the demands of their fellow Bangladeshi kin. The first Bangladeshi migrants comprised of a hundred percent male population, so the men who knew how to cook, opened small scale cafes in order to feed their fellow compatriots. Most of these men learned how to cook while working as *lascars* in the ships and cooked for the rest of the ship crew.⁵¹ Bangladesh is a patriarchal society where women take care of the household and are responsible for cooking, thus cooking abilities among men is an acquired skill which not every other Bangladeshi man had. Hence, starting up cafes was a profitable venture.

As mentioned before, most of the men who came to UK belonged to influential social networks, and these networks also helped them raise enough money to fund their stay in the UK. The Bangladeshi men used that money as capital for entering the food business.⁵² The Bangladeshi run cafes not only served food to their Kin but also acted as the venue for the Bangladeshi entrepreneurs to meet and share information about job opportunities, raise money to start a venture and provide immigration advice to each other.⁵³ This is consistent with the immigrant entrepreneurship literature which cites the patriarchal extended – kinship network as an important source of pooled savings.⁵⁴ The first few Bangladeshis in Britain helped the new

⁵⁰ Rauf, *Brick Lane, Banglatown and British Bangalee*, p.38

⁵¹ Young, *The new East End: kinship, race and conflict*, pp.40-42

⁵² Ballard, *Desh pardesh: The South Asian presence in Britain*

⁵³ Monroe, *Star of India: The spicy adventures of curry*, p.92

⁵⁴ Ivan Hubert Light and John N. Paden, *Ethnic enterprise in America: Business and welfare among Chinese, Japanese, and Blacks*, (University of California Press, 1973); Bonacich, "A theory of middleman minorities."; Edna Bonacich, and John Modell, *The economic basis of ethnic solidarity: Small business in the Japanese American community*, (University of California Press, 1980)

comers with getting jobs and learning English. For most of the newcomers, it was not even necessary to learn English because they worked in a Bangladeshi restaurant and thus could simply communicate in Bengali. Since, their goal was to make money and leave, they focused mostly on work and were not interested in learning English.⁵⁵

The restaurant sector offered very little wages for the Bangladeshi immigrants, but it was still better than the pay they got as a *lascar* (which was half of a white seamen).⁵⁶ Also, self-employment was the only means through which they could avoid poverty. Most of these immigrants could not find employment in other sectors due to their lack of skills and local people's prejudice against people of colour.⁵⁷ These migrants stuck with each other and helped each other sustain themselves in the catering industry. Support did not only stem from the Bangladeshi community but the broader south Asian community which included Indians and West Pakistanis. Yousef Choudhury in his research on curry restaurant notes that most Bangladeshi restaurateurs learned the skills by working in the restaurant of a famous Indian curry house owned by the Bahadur brothers.⁵⁸ Thus, the enclave community facilitated the hard work of these sojourners to survive in an unfamiliar environment.

However, this sojourner mindset soon changed when the immigration laws became strict during 1962. Under the legislations of the 1962 Commonwealth immigration Act, labour migrants were permitted to enter Britain only if they had a "voucher" from an employer, signalling that they were migrating for employment purposes. The Bangladeshis in Britain started obtaining vouchers for their friends and family members because they assessed the political climate may change and become stricter in the future. This led to a series of chain migration from Bangladesh, resulting in family reunions which changed the sojourner mindset to that of a permanent settler.⁵⁹ The increase in the number of Bangladeshis led to the formation of specialized services such as travel agencies and legal consultancy agencies along with grocery stores, convenience stores and more restaurants⁶⁰ and thus led to the creation of the Bangladeshi community in East London , Luton and other parts of Britain.

⁵⁵ Kershen, *Strangers, Aliens and Asians: Huguenots, Jews and Bangladeshis in Spitalfields 1666-2000*, 108

⁵⁶ Monroe, *Star of India: The spicy adventures of curry*, p.90

⁵⁷ Ibid, p.92

⁵⁸ Lizzie Collingham, *Curry: a tale of cooks and conquerors*, (Oxford University Press, 2006), p.222

⁵⁹ Ballard, *Desh pardesh: The South Asian presence in Britain*, p.148

⁶⁰ Rauf, *Brick Lane, Banglatown and British Bangalee*

4.3: Why curry?

The Bangladeshi immigrant entrepreneurs discussed in this paper belong to the food sector and majority of them are running curry restaurants. Curry is a popular cuisine in the UK, so much so that in 2001, the British foreign secretary Robin Cook named Chicken Tikka masala as the national dish of England.⁶¹ Curry is the umbrella term used to describe food originating from the Indian subcontinent cooked in a spicy sauce.⁶² A 2002 estimate by the Guardian found that Indian food, mostly curry, consisted of two-thirds of all the money spent by Britons when eating out.⁶³ This indicates curry is the go to dish for most British people and many of these curry restaurants are run by Bangladeshis of Sylheti origin.⁶⁴ Thus, it is important to understand the roots and the popularity of curry in the British society which provided the necessary market conditions for the Bangladeshi immigrant entrepreneurs.

The concept of curry entered UK along with the returning British East India Company officers and members of the ex-colonized countries who came to UK as labourers. The British officers who journeyed in to the Indian subcontinent acquired the taste of curry and went to coffee houses in London which served curry alongside coffee.⁶⁵ These coffee houses were run by *lascars* to cater to their fellow countrymen as mentioned in the previous section and few of the British India company officers who tried to re-create the ambience of the colonial period back in India. One of the oldest curry houses was opened in 1773 by an Indian called Dean Mahomed, who previously worked as a surgeon for the British East India company. His coffee house specifically targeted the elite clientele who journeyed to the Indian subcontinent as high ranked officers. In order to attract customers, he placed an advertisement on the time magazine, which ran like this:

Hindustanee Coffee house, No.34 George street, Portman Square- Mahomed East Indian, informs the mobility and gentry, he has fitted up the above house , neatly and elegantly, for the

⁶¹ Robin Cook, "Robin Cook's Chicken Tikka Masala Speech," The Guardian, April 19, 2001, Accessed August 05, 2019, <https://www.theguardian.com/world/2001/apr/19/race.britishidentity>.

⁶² Collingham, *Curry: a tale of cooks and conquerors*, p.115

⁶³ Palat, "Empire, food and the diaspora: Indian restaurants in Britain, p.172

⁶⁴ Collingham, *Curry: a tale of cooks and conquerors*; Palat, "Empire, food and the diaspora: Indian restaurants in Britain; Monroe, *Star of India: The spicy adventures of curry*

⁶⁵ "History of the British Curry," Historic UK, Accessed August 05, 2019, <https://www.historic-uk.com/CultureUK/The-British-Curry/>.

*entertainment of the gentlemen, where they may enjoy the Hoakha, with real chilm tobacco, and Indian dishes, in the highest perfection, and allowed by the greatest epicures to the unequalled to be unequalled to any curries ever made in England.*⁶⁶

The advertisement clearly indicated his desired clientele and back then placing an advertisement on the Time magazine was expensive, indicating that he had enough capital to maintain the establishment. But his restaurant went bankrupt after two years of operation⁶⁷ because some of the British officers brought Indian cooks from the subcontinent, while the rest of the British population held a repulsive attitude towards curry, especially after the bloody revolt of 1835.⁶⁸

Curry carried negative connotations associated with colonial rule for the rest of the British population. A culinary cookbook written by a British author in 1955 stated that “curry eating is bad for you; that it causes dyspepsia, makes you evil-tempered and tends to shorten your life” and this perception was adopted due to “writers who depict purple-faced, curry-eating colonels who retire to rural England and vent their spleen on the natives.”⁶⁹ These perceptions clearly manifest the popular attitudes held towards curry by the British population. Moreover, many thought that curry was unhygienic due to the pungent smell of spices, which many believed was used to mask the taste of rotting meat.⁷⁰

Therefore, before the 20th century the market conditions were not conducive for curry. The curry restaurants or rather cafes managed to survive during the 20th century because of the significant South Asian population of labourers which provided a market niche. By 1946, it was recorded that there were around twenty Indian restaurants in London and much more in lower class neighbourhoods. Stepney Green, a lower-class neighbourhood in the London borough of Tower Hamlets, alone housed thirty-two restaurants run by South Asian men. Thus, the arrival of the labourers from South Asia significantly improved the survival rates of these curry restaurants. However, the clientele expanded from a largely South Asian male customer base to the British middle class during the 1960s and 1970s and started attracting the pub going

⁶⁶Ben Highmore, "The Taj Mahal in the high street: The Indian restaurant as diasporic popular culture in Britain," *Food, Culture & Society* 12, no. 2 (2009): p.181

⁶⁷ Palat, "Empire, food and the diaspora: Indian restaurants in Britain", pp.175- 176

⁶⁸ Buettner, "'Going for an Indian': South Asian restaurants and the limits of multiculturalism in Britain."

⁶⁹ Ibid, p.874

⁷⁰ ibid

crowd. These curry houses were open late night because most of their Asian kin finished their factory work at late hours and this started attracting the attention of the British pub goers. Initially, the British were not so forthcoming in trying out curry and the curry houses had to offer British food like pie and fish & chips to cater to the British taste.⁷¹ But gradually the more young and adventurous population started trying out curry and eventually curry became a favourite after pub dish.

In an interview conducted during the 1960s, a teenager named Taylor described his first experience of tasting curry as a way to defy the notions of his second world war going parents' generation. In his mind, curry restaurants were a get away from the "plain tasting meat and two veggie" meal.⁷² Curry sort of became the cuisine for a boys night out, where they supposedly displayed their masculinity by eating the hottest curry and making demeaning remarks to the 'coloured' waiters.⁷³

In addition, curry was very cheap compared to other dishes because different meat or vegetables were put in the same kind of spicy sauce and the ingredients for the sauce was cheap. As a result, the curry restaurant owners started benefiting from a younger clientele and continued offering late night British food in order to tap into the British customers. Eventually, curry became a very popular household dish for the British, which was evident by the fact when the term 'vindaloo', which is a type of curry, was chanted during the football world cup match between England vs Tunisia in 1998.⁷⁴ This clearly illustrates how the immigrant entrepreneurs started off as focusing on the ethnic market and then used the localisation strategy⁷⁵, serving typical British dishes along with curry dishes, to branch out successfully in to the mainstream population.

4.4: Summary

This chapter discussed the push and pull factors which started Bangladeshi migration to the UK and motivated them towards self-employment. Self-employment was the only means of capital accumulation due to blocked opportunities in the host society. Initially, they started off

⁷¹ Ballard, *Desh pardesh: The South Asian presence in Britain*

⁷² Buettner, "'Going for an Indian': South Asian restaurants and the limits of multiculturalism in Britain", p.878

⁷³ Palat, "Empire, food and the diaspora: Indian restaurants in Britain"

⁷⁴ Rohit Varman, "Curry," *Consumption Markets & Culture* 20, no. 4 (2017): p.354

⁷⁵ Adapting the product to local market needs

as sojourners whose sole purpose was to make money and return to their country of origin. However, the change in the political landscape made them realize that travelling back and forth between Bangladesh and the UK would prove increasingly difficult in the future due to tougher immigration laws, causing them to bring their families and convert into permanent settlers.

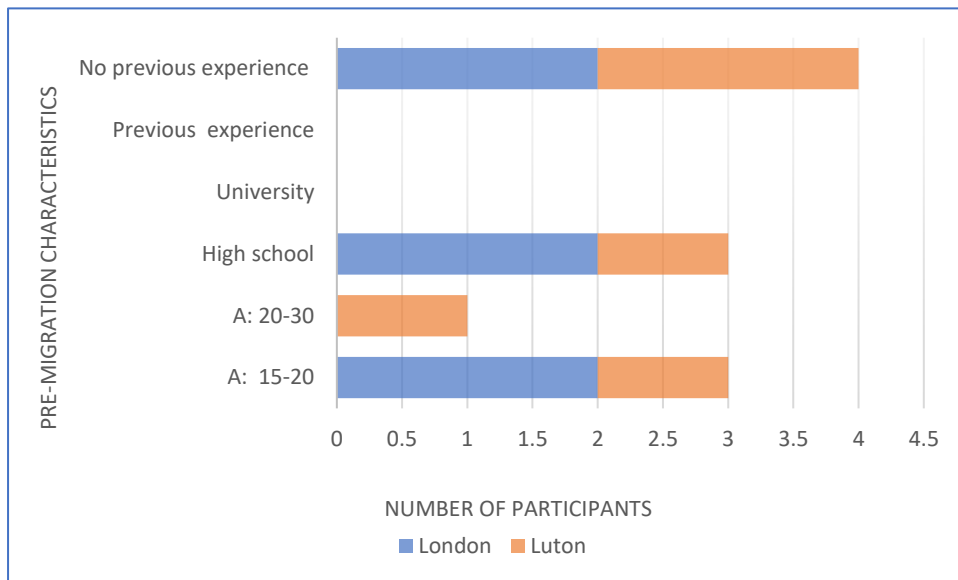
A set of historical conditions made it lucrative for the first wave of Bangladeshi immigrants to enter the curry restaurant industry, where they cut costs by tapping into their ethnic resources such as ethnic labour and raised capital through their ethnic networks. In a sense, the first wave of Bangladeshi immigrant entrepreneurs were ethnic entrepreneurs because they helped out people from their own community and made use of ethnic resources to stay competitive in the business. The next section will analyse whether the second and third wave of Bangladeshi immigrants follow the footsteps of the first wave or employ different strategies given the different political and economic landscape facing them.

Chapter 5: Bangladeshi entrepreneurs of London and Luton

5.1: Pre-migration characteristics

Second wave of migrants

Fig 1: Pre-migration characteristics of the second wave migrants



Source: Author

The figure above outlines the pre-migration characteristics of the second wave of Bangladeshi immigrant entrepreneurs who were interviewed in London and Luton. The graph illustrates that all the participants were young, everyone under the age of thirty for both the areas and in the case of London, both the participant being under the age of 20 and for Luton one person under twenty and one person above twenty. Also, all the London participants and one of the Luton participants graduated high school before coming to the UK and none of them had any kind of work experience prior to migrating. This data is consistent with the literature which suggests a predominantly young, uneducated and inexperienced group of migrants who came during the second wave.⁷⁶ Looking at the circumstances of migration helps explain this type of migrant demographic.

The second wave of migration started from 1971 and lasted all the way up to the 1990s. It is difficult to sketch the exact timeline because the literature does not focus on the different migrant waves and thus no scholarly timeline for the Bangladeshi migrant waves exist. As this

⁷⁶Ballard, *Desh pardesh: The South Asian presence in Britain*, 148.; Sean Carey, and Abdus Shukur. "A profile of the Bangladeshi community in East London." *New Community* 12, no. 3 (1985): p.406.

is the first paper which looks in to the different Bangladeshi migrant waves, it will provide some conceptual clarifications about the different migrant waves. Bangladeshi migrants who came to UK before 1971 are the first wave of migrants, the ones who came between 1971-1990 are the second wave of migrants and the ones migrating after 1990 are the third wave of migrants.

Although it can be argued that before 1971 Bangladesh did not exist so the ones migrating after 1971 should be considered the first wave. However, studies on South Asian diaspora in the UK traced the roots of many South Asian migrants to UK originating from the Sylhet region which is part of present-day Bangladesh⁷⁷ and thus they are considered the first wave migrants. In fact, the second wave migration would not have happened without the contribution of the first migrant wave, which is explained in the next paragraphs, and so the migrants from 1971 are considered the second wave. The second and the third wave migrants are distinguished based on the immigration policies characterising the two periods and would be discussed in the following paragraphs.

Due to the excessive amounts of migrants entering Britain from the New Commonwealth countries, in 1962 the British government launched the first commonwealth immigration act which prescribed stricter regulations on migrations from the former British colonies. According to this act, only migrants with a valid work permit, also known as vouchers from an employer, could enter the UK. Given this changing regulatory landscape, the first wave Bangladeshi restauranteurs started issuing vouchers for their friends and family members back home to work in their restaurants.⁷⁸

The second commonwealth immigration act during 1968 stipulated that to be considered as a British commonwealth citizen them or among one of their parents or grandparents should be ‘born in the United Kingdom; or was naturalised in the United Kingdom; or became a citizen of the United Kingdom and Colonies by virtue of being adopted in the United Kingdom; or became a citizen through rules in the British Nationality Act 1948.’⁷⁹ This led to a series of

⁷⁷ Young, *The new East End: kinship, race and conflict*,36.; Monroe, *Star of India: The spicy adventures of curry*, p.81; Ballard, *Desh pardesh: The South Asian presence in Britain*, p.146; Kershen, *Strangers, Aliens and Asians: Huguenots, Jews and Bangladeshis in Spitalfields 1666-2000*, p.3.

⁷⁸ Ballard, *Desh pardesh: The South Asian presence in Britain*, p.148

⁷⁹Alyssa Girvan, “The History of British Immigration Policy (1905-2016) Timeline Resource, June 2018”,UEA, Accessed, Aug 3,2019,

family reunions lasting up until 1990. As a result, there were two categories of migrants: first, the ones who came with the work vouchers and entered their friend's business for experience and later started their own enterprise. Second, the ones who came to reunite with their family, entered the family business, and later took over the family business or started their own business.

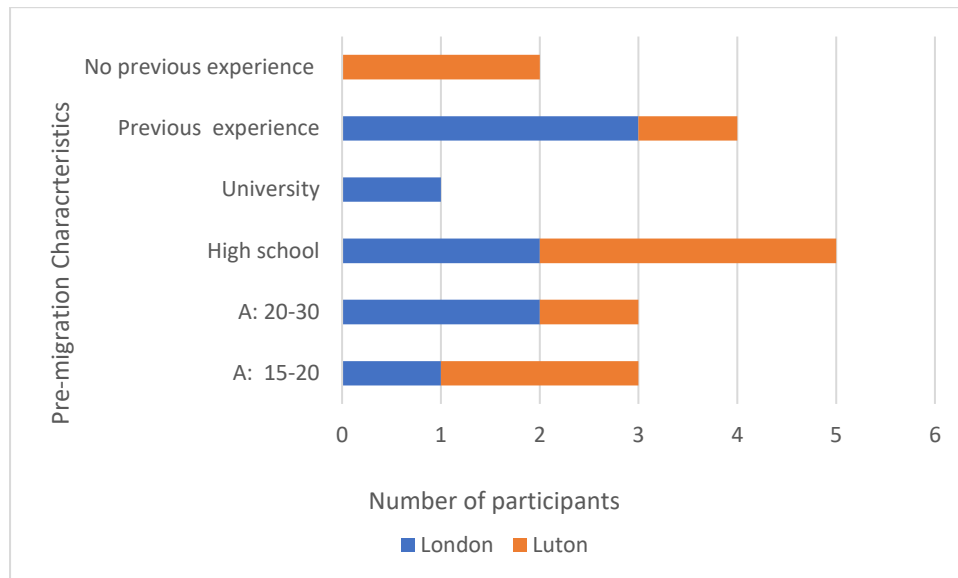
Based on these immigration laws a young demographic of Bangladeshis migrated to the UK, some of who came to work as labourers in their friend/relative's establishment or to reunite with their father and join the family business. This migrant group consisted of both economic and political migrants because during that period there was a lot of political instability in the newly formed Bangladesh and thus many of them migrated to the UK for better living standards and others to avoid political persecution.⁸⁰ Consequently, none of them had any prior work experience in any kind of business sector and started working in the restaurant sector provided by their friends or family, which also served as a source of cheap labour for the first migrant wave.

<https://static1.squarespace.com/static/5748678dcf80a1ffcaf26975/t/5b27e23d8a922dfca10ddeb1/1529340490557/Immigration+Timeline.pdf>

⁸⁰ Information provided by interviewee 17

Third wave of migrants

Fig 2: Pre-migration characteristics of third wave migrants



Source: Author

Figure 2 above shows the pre-migration characteristics of the third wave of Bangladeshi immigrants who were interviewed for this paper. It can be seen that this group of migrants fall in the similar age range as the second wave of migrants, however they have more business experience and one of them even has a university degree. Most of these migrants came through the work permit system in the pretext of fulfilling the labour demands for the second wave restaurateurs, as students who came to get a university degree in the UK and later stayed over to open their own business, one of the interviewee came with an entrepreneurship visa and there are also a large amount of illegal migrants.

One of the non-entrepreneur interviewee confided that many people come with a tourist visa to visit their relatives and then stay over illegally.⁸¹ In fact, while interviewing one of the participants was very hesitant in answering questions about his business although he initially agreed to be interviewed, which indicated that he had something to hide and most likely an illegal migrant. Nevertheless, the third wave migrants were more sophisticated than the second wave and the first wave of migrants, and had information about the customer segment and were able to learn from their predecessors mistakes and come up with a more innovative business model. However, they also faced the disadvantages of a saturated market segment and a stricter

⁸¹ Interviewee 13

regulatory environment compared to the first two migrant waves. Thus, it will be analysed in the following sections what kind of/if any innovative business practices the third wave came up with, to remain competitive in the food sector.

5.2: Business practices of second and third wave migrants

The curry houses opened by the second wave of migrants during the 1970s followed very similar business practices. For one, they offered the exact same menu as one another, the names of the restaurant were synonymous to each other, even the interior of all the restaurants were identical and all them had customers only two times a day: between 3 p.m. and 11 p.m., the pub closing times.⁸² This uncanny similarity in business operations can be explained by the fact that all these entrepreneurs had no experience in the restaurant sector, prior to coming in the UK and as a result they copied the business practices of another restaurant they perceived to be successful.

However, it was not the case for all the second wave of migrants because as mentioned in the previous section, the migration circumstances led to two categories of second wave migrants. The ones who came with the vouchers started their own enterprise after working a few years in their kin's establishment and as a result they replicated the business practices of the first wave of entrepreneurs, because they deemed those to be successful. While the children of the first wave migrants, the second generation of restaurateurs, observed the consequences of replicating the business practices and introduced innovative methods when they took over the family business or started their own establishment.

On the other hand, the third wave of migrants faced a much more competitive business landscape where differentiation and innovative methods was essential to sustain themselves in the catering sector. These migrants not only faced competition from the second wave migrants but also from other ethnic cuisines such as Japanese, Chinese, Thai etc, fast food outlets and even the supermarkets which sold ready-made curry. Therefore, things were much more difficult for the third migrant wave because they operated in a much more globalized environment with London establishing its position as a multicultural city.

⁸² Monroe, *Star of India: The spicy adventures of curry*, p.127

The following paragraphs would analyse in detail the business practices of both these categories of second wave migrants and the third wave of migrants and illustrate the evolution in business practices to adapt to the changing times.

5.2.1: Menu

Second wave of migrants

According to Monroe, the restaurants offered similar menus because they adapted it from other Indian restaurants which have been running for a long time. Most of these restaurant owners started off as waiters in the establishment of their friend's restaurants and since those restaurants attracted customers, they adopted the same menu in the hopes of being successful as them.⁸³ Most of the entrepreneurs interviewed both in East London and Luton stated that their experience came from working in restaurants owned by other Bangladeshis as waiters or line cooks. The interview participants said that the restaurants were owned by their relatives and after gaining experience in the family business they started off with their own enterprise.⁸⁴ Since, most of these entrepreneurs were uneducated, they did not possess knowledge of different kinds of business models which resulted in them copying the business of their relatives.

In addition, the supply of spices during the 1970s was dominated by Indian retail brands such as Patak's⁸⁵, Sharwood's and Veeraswamy's. As a result, all the restaurants shared similar suppliers, used the same ingredients and in turn made the same kind of curry.⁸⁶ From a business strategy end, this kind of product replication would not work for most businesses because it is difficult to attract customers from the established firm without any product differentiation. Fortunately for these businesses, the demand for curry was high compared to the supply and the British customers did not have any customer loyalty for the existing restaurants, making this product replication strategy successful in the short term.

Due to the strong ethnic networks between the Bangladeshi community, an innovation undertaken by one restaurant in any part of the UK would soon be replicated by all the restaurants in different parts of UK. So, a new dish invented in London could soon be spotted

⁸³ *ibid*

⁸⁴ Interviewee 1, Interviewee 5, interviewee 6 and interviewee 9

⁸⁵ Shiv Chaudhry, and Dave Crick, "Understanding practices at the "ethnic" marketing/entrepreneurship interface: a case study of Kirit Pathak." *Qualitative Market Research: An International Journal* 7, no. 3 (2004): p.188

⁸⁶ Monroe, *Star of India: The spicy adventures of curry*, p.129

on the restaurant menu in Luton. The proliferation of the Balti cuisine is a good example of this phenomenon.⁸⁷ According to scholars, this cuisine was first developed by an Indian restaurant in Birmingham where the curry was served in a metallic pot rather in the plate. This type of presentation had two distinctive advantages: Firstly, having a hot dish served in a metallic pot added a theatrical effect which enticed many customers to order the dish. Secondly, because it was served separately from the rice, rather than all of them being served together in a plate, people had the opportunity to order multiple dishes and share it among each other.⁸⁸ This not only increased the sales but also expanded their clientele from the young pub going crowd to families who had the opportunity to share multiple dishes among each other.

After it gained popularity in Birmingham, the dish was soon available in Indian restaurants in London and Luton and throughout the rest of UK. From a business economics end, the curry restaurant sector can be considered as a perfectly competitive market where both buyers and sellers had perfect information about the price of the product and there was no product differentiation and low entry barriers.⁸⁹ Mark Granovetter's social network theory is useful in understanding this rapid adaptation of dishes throughout all Indian restaurants. According to Granovetter, the denser the social network, the easier it is for information to be exchanged between the participants of the network. Usually, a dense network leads to the success of the social network⁹⁰, but for the case of these restaurateurs, these strong ties proved as a disadvantage to them, releasing their trade secrets.

This practice of identical menu's soon started to be condemned by many food critics born in the sub-continent as inauthentic. A renowned food writer and television personality Madhur Jaffrey publicly admonished these Indian restaurants for not using any of the traditional cooking techniques which are characteristic of their region. For instance, a typical Sylheti

⁸⁷Monder Ram, Tahir Abbas, Balihar Sanghera, and Guy Hillin, "'Currying favour with the locals': Balti owners and business enclaves," *International Journal of Entrepreneurial Behavior & Research* 6, no. 1 (2000): p.47.

⁸⁸ Kevin fields, "The Phenomenon of Balti Restaurants in the UK: from local to national popularity in 20 years", *food, Cuisine and Placemaking Macau* (Nov 2006):2-4; Monroe, *Star of India: The Spicy Adventures of curry*, p.140

⁸⁹Joshua Gans, Stephen King and N. Gregory Mankiw, *Principles of microeconomics*, (Cengage Learning, 2011).

⁹⁰ Mark Granovetter, "The impact of social structure on economic outcomes," *Journal of economic perspectives* 19, no. 1 (2005): p.34

preparation of fish is to smother it with crushed mustard seeds, and she was shocked by the fact that none of the Indian restaurants which were largely run by Sylhetis offered this dish.⁹¹ This claim of inauthenticity was seconded by another British Asian food author Vicky Bhogal.

He commented that “I grew up really confused about Indian restaurants in this country, when I was young, I could not understand why the food served upon such establishments was labelled as Indian- it bore no resemblance to anything I ate at home. I have spoken to many Indian restaurant chefs around the country about why the food is so different from the food we cook at home. They were completely honest and explained that back then the first Indian restaurants in England appeared there were no rules. There were no real Indian grocers and so they used little in the way of fresh ingredients. Powders were cheap and long lasting. Chefs used powdered garlic, ginger, coriander, onion and chilli. A lot of Indian restaurants still do. They make a base of tomato and oil which forms the basic sauce of every dish and they add a little more chilli or maybe sour cream depending on what the dish requires. After all, the more sauces you make the more skilled man power you require, all of whom need a wage.”⁹²

Bhogal’s account provides a very interesting insight on how the restauranteurs were able to capitalize on the lack of knowledge of the customers about curry and make money from something completely different from what an Indian curry was supposed to be. For the British customers, the fact that a South Asian was making the dish provided all the authentication they needed for it being a curry. Thus, in this case the immigrant entrepreneurs were able to make use of to their biggest ethnic resource - their ethnicity itself. Also, it was an era before the advent of digital and cultural globalization, where the customers could google what a real curry was. This lack of awareness about what an original curry tastes like led to the ‘Britishization’ of curry which was a product completely adapted to meet the taste of the restaurant’s white clientele.

However, three things happened which revolutionized the curry industry. Firstly, the second wave of migration increased the flow of South Asian migrants in the UK, which resulted in an unprecedented level of Indian restaurants in the UK. The number of Indian restaurants

⁹¹ Madhur Jaffrey, "Introduction to An Invitation to Indian Cooking," *The Madhur Jaffrey Cookbook* (1973): pp.519-520

⁹²Vicky Bhogal "Cooking Like Mummyji: Real British Asian Cooking," cited in Highmore, "The Taj Mahal in the high street: The Indian restaurant as diasporic popular culture in Britain," pp.22-23

increased from 300 curry restaurants in 1960 to 1200 in 1970 and 3000 by 1980.⁹³ Most of them were concentrated in the neighbourhoods where the ethnic communities lived. There were ten to twelve restaurants lined up in a street in the Tower Hamlets, resulting in intense competition between the different restaurants.⁹⁴

Moreover, Britain was transitioning from a manufacturing to a service economy, which led to the rise in the middle-class population and a culture of eating out.⁹⁵ This attracted different kinds of Asian restaurants such as Chinese and Japanese restaurants to be set up near the Tower Hamlets area, which was also near the commercial centre of London. As a result, the Indian restaurants not only faced competition from other Indian restaurants, they also faced competition from Asian restaurants. Additionally, their target customers were mainly white, as the family reunion led to the migration of South Asian females who cooked at home and thus the entire family would mostly eat at home. Therefore, differentiation was the only means of survival in this sector.

Secondly, because of the increased British interest in curry, a lot of tv channels broadcasted cooking shows where the host taught the audience how to make “authentic” curry. The tv shows fuelled by the criticisms of the food critics forced these Indian restaurants to stop the practice of “one sauce fits all” style of cooking and pushed them to incorporate fresh ingredients and not ready-made powders. Finally, the second generation of restauranteurs played an important role in changing the practice of identical menus. Unlike their predecessors, the kids of the first wave restauranteurs had the option to move into a different sector because their fathers accumulated enough money from the restaurant business to educate them which opened up more white-collar job prospects for them. So, the ones who entered the family business, entered by choice and were passionate about this sector. One of the second wave participant I interviewed shared that he was passionate about the food business and first worked and trained as a chef before entering the restaurant sector. As a chef he experimented with different types of food, which he later incorporated in his restaurant menu.⁹⁶

The pressure to differentiate was not as pronounced in Luton compared to London. When asked how they differentiated their restaurant back in the day, both the second wave restauranteurs I

⁹³Buettner, ““Going for an Indian”: South Asian restaurants and the limits of multiculturalism in Britain,” p.879

⁹⁴ ibid

⁹⁵ Monroe, *Star of India: The Spicy Adventures of Curry*, p.161

⁹⁶ Interviewee 1

interviewed stated that the situation was not as bad in Luton compared to London. “London experienced most of the heat of migration. Luton had very few Indian restaurants during that time, but London particularly Brick Lane had a lot of restaurants lined up in the streets” said a second wave entrepreneur who owned a very successful restaurant in the Luton area and is now retired.⁹⁷ However, he did stress the importance of quality and the need of constant innovation to remain in the restaurant sector: “the catering sector is a constantly evolving sector where you cannot slack off and need to constantly innovate to stay ahead of the competition”.⁹⁸ This shows that even though the competition was less compared to London, both the areas understood the need to differentiate their menu in order to stay competitive.

Third wave of migrants

The third wave of Bangladeshi migrants started incorporating authentic Bangladeshi “home cooked” food in their restaurants because they catered to both the Bangladeshi population and the white clientele. Again, like the second generation of restaurateurs, these third wave of migrants entered the catering sector by choice and not pushed into it like the first wave of migrants. Thus, they had a certain level of experience and passion, where they chose their clientele carefully and positioned their restaurants in the location where they could reach their target segment. Surprisingly, most of the third wave migrants I interviewed targeted a Bangladeshi clientele rather than the white customers. The resurgence of the Bangladeshi customers in the restaurants can be attributed to the formation of Bangla town, which many claim is a ploy of restaurateurs to drum up their business⁹⁹, the reasons to these claims would be elaborated in a later part.

Most of the 1980s was characterised by a period of extreme racism against the Bangladeshi population who lived in the Tower Hamlets Spitalfields area of East London. One of the non-entrepreneur interviewees who was part of the Bangladeshi youth front in the early 1980s recalled “1980s was a particularly bad time for the Bangladeshis because of the violent attacks on them by racist groups. Continuous lobbying from the Bangladeshi youth front, which I was a part of, led to better living conditions and education facilities for the Bangladeshis which

⁹⁷ Interviewee 9

⁹⁸ *ibid*

⁹⁹ John Eade and David Garbin, "Competing visions of identity and space: Bangladeshi Muslims in Britain," *Contemporary South Asia* 15, no. 2 (2006): p.185.

encouraged more Bangladeshi population to migrate to the East End of London”.¹⁰⁰ Despite the improved living conditions, the area was a poverty-stricken area of London which resulted in City challenge regeneration with support from the British labour party to create Bangla town.¹⁰¹ This scheme was part of a group of successive projects to brand London as a multicultural city and attracted tourists from all over the world.¹⁰² The Bangladeshis further lobbied to change the street signs (see figure 3 below) to Bengali in order to celebrate the large number of Bangladeshis living there and promote their identity of being Bangladeshi.¹⁰³

Fig 3: Bengali street signs in Brick Lane



Source: Picture by Author

This led to the third wave of entrepreneurs to offer more regional specialities to paint a positive image of Bangladesh to the tourists from different parts of the world and differentiate their cuisine to keep up with the intense competition from the other restaurants. Due to globalization it was possible to get local ingredients from Bangladesh which made the cooking taste more authentic. There were a lot of markets selling vegetables and spices typical of Bangladesh in East London to cater to the Bangladeshi households living there.¹⁰⁴ Thus, the restaurants could easily source the ingredients from the local green grocer and not the Indian retail brands which the second wave of migrants relied on. This made the cost of raw materials much lower and enabled them to offer cheaper dishes. During my visit to Brick Lane, I noticed the price of Bangladeshi food ranged from five to ten pounds, which is very cheap considering London standards. However, the cheap prices may not be only due to the cost of production but also because of the competition from the other restaurants. But having cheaper ingredients does help them sustain themselves in this highly competitive landscape.

As for attracting the Bangladeshi clientele, most of the third wave migrants belonged to a relatively affluent background or students and had the habit of eating out even in Bangladesh.

¹⁰⁰ Interviewee 15

¹⁰¹ Johan Pottier, "Savoring "The Authentic" The Emergence of a Bangladeshi Cuisine in East London", *Food, Culture & Society* 17, no. 1 (2014): p.13

¹⁰² *ibid*

¹⁰³ Claire Alexander, "Making Bengali Brick Lane: claiming and contesting space in east London", *The British journal of sociology* 62, no. 2 (2011): p.214

¹⁰⁴ The researcher observed this phenomenon while in London and Luton and many interviewees also talked about it

Thus, they started flocking into the Bangladeshi restaurants which provided the taste of home cooking at an affordable price and without the effort of cooking for themselves. All the third wave participants from East London interviewed for this paper stated that their customer base formed both a Bangladeshi and white clientele. Some of them made more Bangladeshi cuisine because their target segment was Bangladeshis rather than the white clientele. This was evident by their choice of location, which was in the heart of Whitechapel surrounded by Bangladeshi clothing, sweet and grocery shops. The entire street looked like a typical street from Dhaka, the capital city, as can be seen in figure 4 which shows comparison between the street of Dhaka (on the left-hand side of the picture) and Whitechapel in East London (right hand side of the picture).

All of them consented that they usually adjust the preparation of the dish based on the customers need, when they have British customers, they make the food less spicy and blander. Another interesting element I noticed is that none of these establishments served alcohol and thus they are not targeting the after-pub customers which constituted the most important customers for the second wave of Bangladeshi restaurant owners. Bangladesh being an Islamic country, people do not drink alcohol as it is prohibited by Islam and so it was very clear that these restaurants wanted to paint an authentic picture to the British.

Fig 4: Comparison between Dhaka and Whitechapel



Source: Picture taken by Author

The scenario in Luton was much more different than in London. All the third wave entrepreneurs I interviewed ran sweet shops and not restaurants. In retrospect, I did not find any restaurants owned by third wave migrants in Bury Park.

Perhaps they were situated in other parts of Luton but in the most concentrated South Asian neighbourhood in Luton, restaurants were mostly owned by the second wave migrants. Most of these sweet shop owners came to Luton to join the family business and eventually took over the shop or set up their own. They were mostly high school graduates and perhaps did not want to enter the restaurant sector

because it was incredibly competitive. Although, due to the increase in the number of Bangladeshis in UK opened up different kind of niche markets, so entering the restaurant sector was no longer essential.

However, they did mention that the only reason they were in this business was to make money, so perhaps they had no intention of staying in this sector for long. When I asked why they did not set up this shop in London, all of them stated that London was very competitive and thus it was easier to set up a shop in Luton to earn money. Apparently, the Bengali sweets market was not saturated and had much lower entry barriers compared to the restaurant business. Only the third wave migrants truly passionate about the catering sector migrated to London, while the ones who just wanted to have some sort of livelihood and wanted to attain social mobility catered to other ethnic niches in different parts of UK. This phenomenon is consistent with the interaction model of ethnic entrepreneurs which states that the best way for immigrant entrepreneurs to enter a market segment is to target the ethnic niche because it has low entry barriers compared to other market segments.¹⁰⁵

5.2.2: Décor

As mentioned before, the identical menu was accompanied by identical wallpapers. The authors who studied the curry restaurants during the 1970s were struck by the exact similarity of the wallpapers adorning those curry restaurants. The surprising element these authors noted was not just the fact that these wallpapers were exact replicas of each other but because all of them looked rather ugly. The studies suggested that the striking resemblance might be the result of the restaurants trying to recreate the ambience of the British Raj era clubhouses which themselves tried to mirror the interior of the English country houses.¹⁰⁶ In addition, the famous Indian restaurants of that time period also had similar kind of décor, so the lack of business acumen by the new entrepreneurs may have led them to copy the décor in the hopes of attaining similar success as those restaurants.

However, the real reason behind the identical décor was revealed by an entrepreneur interviewed by Monroe. The entrepreneur confided that they all had the same interior decoration because they all hired the same builder and furnisher for their restaurants, and it was probably just cheaper for the builder to buy the wallpaper in bulk.¹⁰⁷ The ethnic network was

¹⁰⁵ Waldinger et al., *Ethnic entrepreneurs: Immigrant business in industrial societies*, pp.20-48

¹⁰⁶ Monroe, *Star of India*, p.130

¹⁰⁷ Ibid, p.131

very strong among these entrepreneurs causing all of them to have the similar kind of decorations inside the restaurant.

Nevertheless, just like the menu, the trend of identical wall paper started changing when the competitive wave hit the restaurant sector. By the beginning of the 1980s, the Indian restaurant industry started to become more sophisticated due to the reasons mentioned previously. More high-end Indian cuisine which served more experimental and fusion Indian food started to develop in the West End of London.¹⁰⁸ The location itself spoke about the customer segment these restaurants targeted. One of the biggest names among those posh Indian restaurants was Red Fort which was established in 1984 by another Sylheti Bengali named Amin Ali in the heart of Soho. His restaurant was one of the most exclusive places which attracted celebrities like Mel Gibson and served an array of cocktails along with fusion Indian cuisine. He even hired a PR agency owned by another Bangladeshi named Iqbal Wahbab, who later went on to open a similarly exclusive restaurant named the Cinnamon club.

These high-end restaurants sported an elegant and classy interior as shown in the figure below which differed from the East end restaurants all of who had the 'violent shade of red' wall paper.¹⁰⁹ As mentioned before, these East end restaurants had the tendency to copy the more successful restaurants, resulting in the end of the ugly wall paper era in the curry restaurants. Apart from this, a cookery magazine called *The Tandoori* owned by Iqbal Wahbab, heavily chastised the ugly wallpaper of the East End curry houses as a way to promote the Red Fort, which also caused the East Enders to abandon the matching ugly wallpapers.¹¹⁰

¹⁰⁸ Palat, "Empire, food and the diaspora: Indian restaurants in Britain"

¹⁰⁹ Leah Hislop, *Made in London: The cookbook* (Absolute press, 2018), p.166

¹¹⁰ Monroe, *Star of India*, p.207

Fig 5: Interior of Red fort



Source: Trip advisor¹¹¹

This trend of classy décor continues till today because all the second wave entrepreneurs that were interviewed in both London and Luton for this study had white walls and a chic interior décor. Most of the innovations in the Luton curry restaurant was inspired by London, because first of all, London was in very close proximity to Luton and had the highest concentration of Indian restaurants compared to the rest of the UK. And secondly, the London East End attracted a lot of media attention because of the heavy concentration of curry houses in one street naming it the curry capital of the UK, which made it the point of reference for the Luton restaurant owners. One of the second wave interviewee recalled that “we used to go to Brick Lane to see what new was happening. Sometimes we would eat in the restaurants and chat with the staff to learn about their business practices. Brick Lane has always been a fascinating place with all the Indian restaurants clustered in a tiny street.”¹¹² Thus, in terms of operations there was not much difference between these two places.

¹¹¹ "Exterior Shot - Picture of The Red Fort, London," TripAdvisor, Accessed August 06, 2019. https://www.tripadvisor.com.sg/LocationPhotoDirectLink-g186338-d720399-i66353134-The_Red_Fort-London_England.html.

¹¹² Interviewee 9

Third wave migrants

For the third wave of entrepreneurs the interior decoration depended on the type of customers they wanted to attract. The ones located in the heart of Brick Lane which targeted more tourists had a chicer and sometimes glamorous wall papers with chandeliers hanging from the walls, to portray an air of grandeur for the customers and Indian Bollywood music playing in the background. The restaurants all advertised themselves as Indian restaurants and decorated the place in a way to match the perceived image of India in the tourist's mind. The walls of the more popular restaurants were lined with pictures of the owners getting some sort of award and testimonials claiming it to be the best Indian restaurant of a particular year according to Trip Advisor.¹¹³ Testimonials are an effective way to attract customers, especially foreign customers who do not have much idea about the product. It was apparent from the décor that they were targeting tourists or a white clientele and not the South Asian community.

In contrast, the restaurants aiming for the Bangladeshi customers have a simpler basic décor, resembling the ones back in Bangladesh. Most of them have plain white walls or colours of a single shade, nothing too flashy. One of the restaurants I visited had oil paintings of the rural scenery in Bangladesh, as shown in the fig-6 below.

Fig 6: Simple décor inside a third wave restaurant



Source: Author

At the entrance of these restaurants, the owners stood behind the food counter displaying freshly cooked cuisine that the customers could choose from. There is also option from choosing something from the menu. One of the restaurants I entered was packed with families, and while waiting upstairs to interview the owner, I witnessed a meeting of sorts taking place between some Bangladeshi elderly men. They were having a skype meeting with someone back in Bangladesh and it seemed like a meeting to discuss political matters back home.

The Bangladeshi restaurants still act as a meeting point for members of a social network to exchange

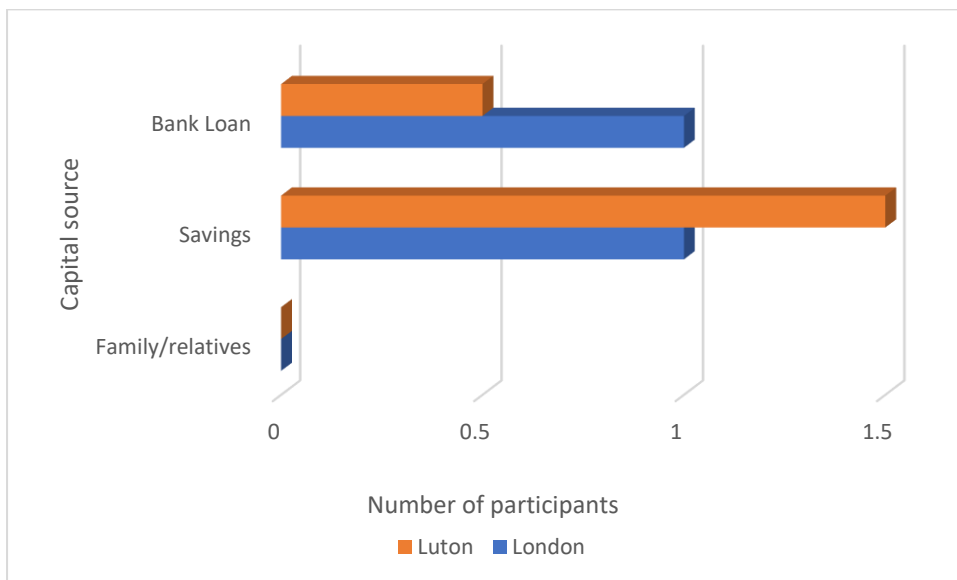
¹¹³ Based on the researcher's observation

information and discuss important issues, a practice which used to take place during the 1940s and 50s when the first Bangladeshi run cafes used to act as a meeting point for *lascars* to exchange job and immigration information and raise money to start a new venture. Now these third wave migrant run restaurants serve the same purpose, with the community members using it as a venue to discuss political matters and raising money for different cultural activities concerning Bangla town.

5.2.3: Source of Capital

Second wave migrants

Fig 7: Source of capital for second wave entrepreneurs



Source: Author

From the figure above it can be seen that most of the second wave interviewees raised capital from their personal savings or bank loans or a combination of both. None of the interviewees used their family or relative's help to raise the money. This is a very interesting finding because the literature emphasises the importance of ethnic enclave communities and use of rotating credit organizations which are used to raise capital for starting a business.¹¹⁴ For instance, the Bangladeshi cafes during the early days acted as a meeting point for the *lascars* to raise money to start their own business which is a typical illustration of an ethnic enclave community raising finance.

¹¹⁴ Barret, "Ethnic minority business: theoretical discourse in Britain and North America", 791; Light, *Ethnic enterprise in America: Business and welfare among Chinese, Japanese, and Blacks*, pp.19-24

When asked to all the second wave interviewees both in London and Luton, whether they faced any discrimination in getting a bank loan, one of them responded “not really, I had some money saved up from my experience in the restaurant sector, so it was not very difficult to get a bank loan. Discrimination was more pronounced for the first wave Bangladeshi restaurant owners, which is normal because the banks had no idea about people from Bangladesh and they had no credit history or anything, so for them getting a bank loan was not easy. For me, and for the second-generation Bangladeshis in general, it was easier to get bank loans because we came here as teenagers and had more idea about the British society which our ancestors lacked, so it was far more disadvantageous for them”.¹¹⁵

Another entrepreneur in London recalled “I was in a partnership, but it was not working out so then I decided to start my own restaurant. I took out my end of the capital from the partnership and then took a bank loan, but I opened this restaurant in 1999 so it was easier to get a bank loan because firstly, British banks were familiar with the Bangladeshis by then and secondly I had the money from my previous business so it was less risky for the bank to provide a loan”.

¹¹⁶ In his research, Altinay found that immigrant entrepreneurs who knew the native language and had higher confidence usually looked for capital in formal channels like banks and other financial institutions rather than depending on co-ethnic capital.¹¹⁷ The second wave of migrants gathered work experience and to some extent became integrated to the British society before starting their own establishment, which explains their inclination towards formal channels of credit rather than ethnic channels.

A report published by the Bank of England categorises businesses into four groups: marginal businesses, near bankable businesses, bankable businesses and social enterprises. A marginal business is one which does not have a large financing need because of their small size and lack of interest to expand and therefore do not want to get into debt. Near bankable businesses are those at the early stage of development and grow with technical or financial support. However, due to its infant stage, banks might consider it too risky to invest in. Bankable businesses are the ones that attract banking finance because the owner has some business acumen or business

¹¹⁵ Interviewee 6

¹¹⁶ Interviewee 5

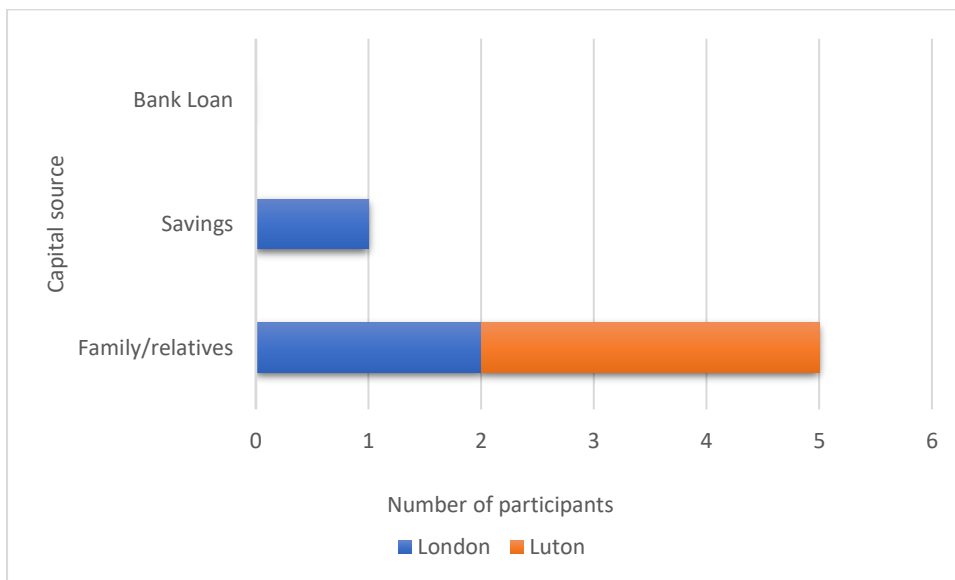
¹¹⁷Levent Altinay, "The relationship between an entrepreneur's culture and the entrepreneurial behaviour of the firm", *Journal of small business and enterprise development* 15, no. 1 (2008): p.115

experience and has a well thought out business plan and a market where it can survive. Finally, social enterprises are businesses with a social purpose.¹¹⁸

In this case, the second wave migrants fall under the bankable business category because they had prior experience in the catering sector before they started their own business and some business acumen which made it easier for them to access institutional finance. In addition, both the entrepreneurs emphasised the importance of familiarity between the immigrants and the host society which made it easier for them to access resources in the host country.

Third wave of migrants

Fig 8: Source of capital



Source: Author

The situation for the third wave of migrants seemed to be completely different with most of them relying on family support to raise capital and just one of the interviewees from London using his personal savings. This is in contrast to Altinay¹¹⁹ because these migrants had the language skills, although not the familiarity with the host country. However, of the five participants who used their families help to raise the capital only two of them stated that they are happy with their restaurant and would like to continue in this business while the others wanted to switch to something else as soon as they made enough money.

¹¹⁸“Finance for Small Businesses in Deprived Communities”, Bank of England, last modified Nov,2000,<https://webarchive.nationalarchives.gov.uk/20100114083837/https://www.bankofengland.co.uk/publications/financeforsmallfirms/accesstofinance.pdf>

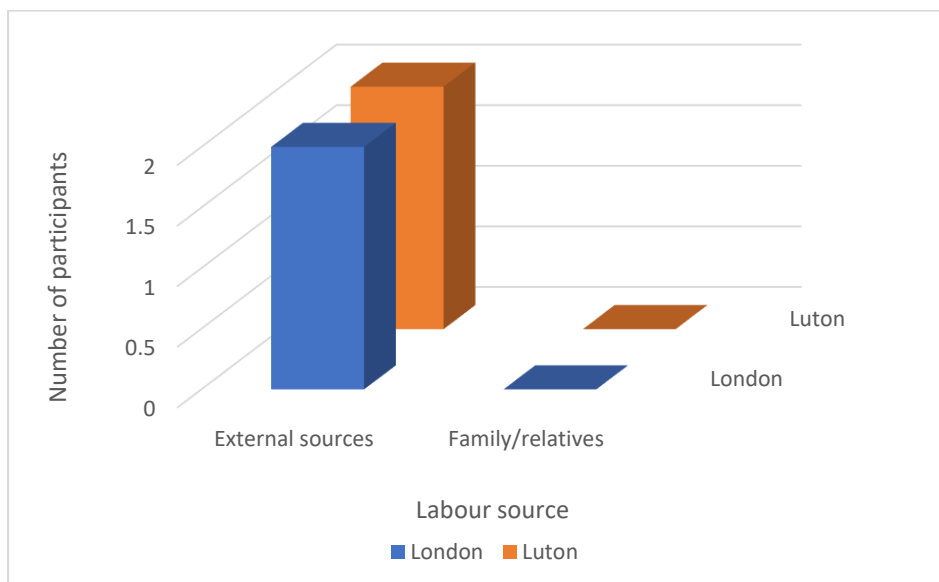
¹¹⁹ Altinay, "The relationship between an entrepreneur's culture and the entrepreneurial behaviour of the firm",p.115

One of the entrepreneurs from London confided that the only reason he is running the restaurant is to get a permanent residency and then switch to something he is interested in.¹²⁰ These businesses seem to fall under the marginal business category lacking the necessity for or want of a bank loan. For them using their family capital is a cheap source of finance. This helps explaining the data because taking a bank loan is a complicated procedure and for migrants who are not interested to continue in this sector had no point in going through the hassle of obtaining the bank loan.

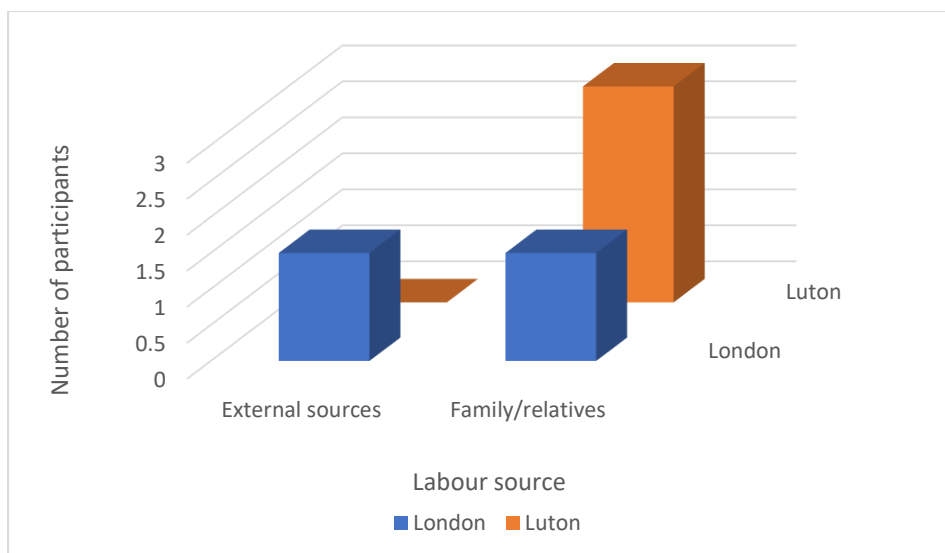
5.2.4: Human resource strategy

5.2.4.1: Recruitment

Fig 9: Source of labour for second and third wave of migrants



¹²⁰ Interviewee 4



Source: Author

The figure above shows the source of labour for the second and third wave of migrant interviewees. The graph shows that the second wave of immigrant entrepreneurs recruited their employees through external sources in both London and Luton. However, the staff were Bangladeshi and not anyone from foreign origins. Due to the first and second commonwealth immigration act of 1962 and 1984, there was a large supply of Bangladeshi labour in the UK who came to work for their friends and relatives. It was easier for the second wave of migrants to recruit these ethnic labours through external sources due to the large supply of Bangladeshi labour.

However, one point needs to be clarified is that external sources means that workers were not family members or direct kin of the entrepreneur, but they were still recruited from within the Bangladeshi social network. According to Spence, hiring means ‘investing into uncertainty’ where the employer has no knowledge of the employees working capabilities.¹²¹ Thus, the Bangladeshi immigrant entrepreneurs preferred to hire within their social networks because they were familiar with the work ethic of their fellow Bengali men. The employee is also motivated to work hard as it was the only means of survival in the foreign country. However, not all Bangladeshi entrepreneurs made use of ethnic labour. Some high-end restaurants in the west End of London, employed non-Bengali workers. Arrighetti et al refer to this practice of employing foreign labour as hybrid multiculturalism. Hybrid multiculturalism is the practice of

¹²¹ Michael Spence, *Market Signalling* (Cambridge, MA: Harvard University Press, 1974), pp.2-3

ethnic minority entrepreneurs to conduct business in a non-traditional way and operate in non-ethnic markets by bringing about diversity in their workforce¹²².

When asked about why mostly Bangladeshi men were employed in their restaurants, one of the interviewees said that he wanted to help out his fellow countrymen¹²³ while another interviewee said it was to “preserve the Bangladeshi culinary skill”.¹²⁴ According to the latter, employing foreign workers meant that they needed to be trained and educated in the art of Bengali cooking, which might lead to the non-Bengalis taking over this sector in the future. The former reason is more consistent with the theory which states that when new settlers come in a foreign land, they rely on their ethnic network for jobs and employment¹²⁵, so the interviewee claiming to help his kin seems like a plausible explanation. Regarding the latter, many high-end restaurants in the West End such as Red Fort and the Cinnamon club do employ foreign workers such as Russians and Polish waiters, while employing a South Asian chef, so the argument of protecting the culinary secrets of Bengali and Indian cooking does not seem consistent.

However, interviewing the non-entrepreneurs revealed a darker side. Most of them said that Bangladeshi restaurant employees face unhygienic and deplorable working conditions with long working hours and low pay.¹²⁶ Many of them come through illegal means and do not have worker rights, so it is easier for the employers to exploit them.¹²⁷ Monroe argues to the contrary, claiming that the employers themselves make less money so they do not have much choice but to pay low wages to their employees.¹²⁸ On asking whether the employees are paid fair wages, the second wave entrepreneurs from Luton claimed that the wages complied with minimum wage standards. One of them further elaborated that when he first opened his restaurant, he provided free food and accommodation to his staff.¹²⁹ Waiting staff from an East London restaurant also concurred that they are provided free lodgings on top of the restaurant building

¹²² Alessandro Arrighetti, Daniela Bolzani, and Andrea Lasagni, "Beyond the enclave? Break-outs into mainstream markets and multicultural hybridism in ethnic firms", *Entrepreneurship & Regional Development* 26, no. 9-10 (2014): p.756.

¹²³ Interviewee 9

¹²⁴ Interviewee 6

¹²⁵ Waldinger et al, *Ethnic entrepreneurs: Immigrant business in industrial societies*, p.36

¹²⁶ Interviewee 11, Interviewee 15, interviewee 16

¹²⁷ Interviewee 17

¹²⁸ Monroe, *Star of India: The Spicy Adventures of Curry*, p.90

¹²⁹ Interviewee 9

and get to eat leftover food. Although, many of the owners confessed that the working hours were long and the money not enough to compensate for the long working hours, causing many recent Bangladeshi migrants to switch to the taxi driving business.¹³⁰

A recent study carried out on the working practices on UK SMEs found that Bangladeshi restaurant workers are dissatisfied with long working hours and rude behaviour from the employer and sometimes the customers do not pay the bill and they have no job security. The research found that the restaurants do not offer any legally binding contract to the employees and it is largely an oral contract.¹³¹ This brings to question the interviewees claim that the staff receive minimum wage. One of the second wave entrepreneur gave his thoughts regarding the accusations surrounding unfair wages in the restaurant sector: “it is mostly the restaurant owners who employ illegal immigrants who pay unfair wages. My restaurant employs legal migrants, so we do not exercise such exploitative practices”.¹³²

Regardless of the different viewpoints by the interviewees, the fact remains that the restaurant sector is experiencing a shortage of labour which is evident by the figure depicting the labour source for the third wave of migrants. As shown in the graph, all the interviewees from Luton employ family members while the ones in London have a combination of both relatives and non-relatives. The ones who largely employ relatives state that it is because it is a family business. Also, because it is cheaper to have family labour since they do not need to be paid. In a study conducted on the Indian restaurant sector, an interviewee from Luton stated that he takes no wages from working in his father’s business because it is religious duty to help out his father.¹³³

However, the ones who recruit externally concur that it is more difficult to recruit Bangladeshi employees in the light of the strict regulatory conditions prescribed by the UK government on migrant workers and also the long working hours are a disincentive for the employees to join this sector. When asked if they tried to recruit foreign labour, a few said that they do employ Eastern Europeans, but they only come to work after five. One interviewee said shortage of labour is one of the reasons why some Indian restaurants only open during the evening. The

¹³⁰ Interviewee 1, interviewee 6 and Interviewee 9

¹³¹B. M Razzak, "The working life of employees in the context of UK SMEs of Bangladeshi origin", (PhD diss., (Kingston University, 2017), pp.102-105

¹³² Interviewee 6

¹³³ Hoque, "Muslim Men in Luton, UK: 'Eat First, Talk Later'," p.89

Bangladeshi Caterers Association (BCA) is lobbying the British government to reduce the regulations regarding migrant labour from Bangladesh.¹³⁴ They along with most of the entrepreneurs, fear that this labour shortage might lead to the end of the curry business in UK. This fear also stems from the fact that the children of the businessmen are not interested to join the business. This is consistent with the theory which states that the younger generation of the ethnic minority businessmen are reluctant to join the businesses because they tend to undertake professional services such as business consulting or other white-collar jobs, a consequence of their higher education.¹³⁵

5.2.4.2 Training

For both the second and the third wave migrants, the staff have been trained through hands on experience in the restaurants or sweet shops. When asked if the Government or the city council provides any business training, they said that a course on food security and hygiene needs to be attended by everyone in the catering sector in order to operate. However, the course was only necessary for the owner to take and they did not state if they let their staff take the courses. But they had no idea if any other courses apart from this were offered. Although, one of the interviewees did confide that the city council provided some form of training but most of the Bangladeshi entrepreneurs chose to ignore it. "They think they know better than everyone and don't attend the training. But I attend it because I think it is important to keep learning" remarked the interviewee.¹³⁶ One interviewee from Luton praised the Bangladeshi Caterers Association (BCA) for their active role in helping to provide training to the catering staffs. Thus, there are some institutional training facilities in place, but the Bangladeshis preferred to use the facilities by other Bangladeshis, which shows the strength of the enclave community effect.

5.2.5: Marketing strategy

From the previous discussions it is evident that the Bangladeshi immigrant entrepreneurs in the catering sector face intense competition from their ethnic counterparts and other native competitors such as supermarkets who sell ready made curries and want to tap into the ethnic products market. In order to stay ahead of the competition these immigrant entrepreneurs must

¹³⁴ Information provided by interviewee 7

¹³⁵ Enno Masurel, Peter Nijkamp, and Gabriella Vindigni, "Breeding places for ethnic entrepreneurs: a comparative marketing approach", *Entrepreneurship & regional development* 16, no. 1 (2004): p.80.

¹³⁶ Interviewee 14

adopt appropriate marketing strategies. Research suggests that ethnic minority business actually fall under the small and medium size enterprise category (SMEs), so marketing strategies used by SMEs can be applicable to the ethnic minority business.¹³⁷ According to Hultman and Shaw (2003), SMEs adopt either a transactional or relational approach, which depends on factors such as the entrepreneurs background, business sector and target customer segment.¹³⁸

Transactional marketing focuses on the factors that lead to the successful exchange of a product.¹³⁹It espouses the concept of the famous ‘marketing mix’ the 4Ps of marketing which underscores the importance of product, price, place and promotion for a successful marketing strategy.¹⁴⁰Relationship marketing emphasises the importance of practices attached with the ‘acquisition and retention of customers’.¹⁴¹The retention of customers can be achieved by developing trust , reputation, goodwill and creating positive personal statements.¹⁴²The figure below summaries the main concepts and key differences between these two marketing approaches.

¹³⁷ David Carson and Audrey Gilmore, “Marketing at the Interface: Not ‘What’ but ‘How’”, *Journal of Marketing Theory and Practice* 8 2 (2000):pp.1-7; Ahmad Jamal, "Playing to win: an explorative study of marketing strategies of small ethnic retail entrepreneurs in the UK", *Journal of Retailing and Consumer Services* 12, no. 1 (2005): pp.1-13; David Stokes, "Putting entrepreneurship into marketing: the processes of entrepreneurial marketing," *Journal of research in marketing and entrepreneurship* 2, no. 1 (2000): pp.1-16.

¹³⁸ Claes M Hultman, and Eleanor Shaw, "The interface between transactional and relational orientation in small service firm’s marketing behaviour: A study of Scottish and Swedish small firms in the service sector," *Journal of Marketing Theory and Practice* 11, no. 1 (2003): pp.36-51

¹³⁹ Hultman, "The interface between transactional and relational orientation in small service firm’s marketing behaviour: A study of Scottish and Swedish small firms in the service sector,"p.38

¹⁴⁰ Levent Altinay, and Eser Altinay, "Marketing strategies of ethnic minority businesses in the UK," *The Service Industries Journal* 28, no. 8 (2008): p.1184

¹⁴¹ Hultman, "The interface between transactional and relational orientation in small service firm’s marketing behaviour: A study of Scottish and Swedish small firms in the service sector,"p.38

¹⁴²ibid

Fig 10: Transactional versus relational approach to marketing

Transactional marketing (Traditional 4P – related marketing activities)

- 1 Price (lowering price)
- 2 Product (product differentiation, analysing and predicting industry trends)
- 3 Promotion (frequent advertising)
- 4 Place (location of the outlet)

Relationship marketing

- 5 Developing good customer relationship
-

Adopted from: Hultman & Shaw, 2003; Gronroos, 1994; Gummesson, 1999; Shaw, 1997.

Source: Marketing strategies of ethnic minority businesses p.1185

Second wave immigrant entrepreneurs

In the case of the second wave immigrant entrepreneurs they made use of both a combination of transactional and relationship marketing strategies. The entrepreneurs' targeting the middle-class customers located their business on the East End, also well-known as the curry capital of London, and competed on low price. Historically, the East End Indian restaurants have been considered as a place of cheap curry which has been described in the previous sections. Therefore, the restaurants locating there are compelled to compete in terms of low price, as raising prices may drive them out of business. On the other hand, the immigrant entrepreneurs targeting a more high-end clientele located their business on the West End of London, where they compete based on product differentiation e.g. The Red Fort and the Cinnamon Club. Thus, the use of the 4P's is visible from their business practices.

However, all the interviewees emphasized the need for good customer relationship management. The owners believed that having a loyal customer base is crucial for business success. When asked about how the restaurants manage to retain their customers, all of them said having a good quality product and developing a good relationship with the customers was the key. One second wave entrepreneur from Luton who established his business during the end of 1970s commented "back in the day it was difficult to have a good relationship with the customers because most of us could not speak English, so we could not communicate with them. Me and my business partner had to look for English speaking waiters so that they could welcome the customers and attend to their needs. Nowadays the businesses have it easier because most of the new Indian restaurants can speak English and they have a better sense of the customer needs".¹⁴³ When I went to interview the owners, I observed that most owners

¹⁴³ Interviewee 9

stood outside the restaurants to welcome the customers and kept making rounds of the restaurant to ensure that the patrons' needs were met. Most of the clients before leaving even came to say goodbye to the owners, which indicated a great deal of familiarity build upon continuous interaction, signalling them being a regular customer.

Jamal argues that ethnic entrepreneurs undertake marketing practices that cannot be considered as relationship development but innovation. This consists of practices to devise strategies for identifying niche markets and also expand the customer base to the mainstream market by providing ethnic products at a competitive price and by educating and familiarizing the non-ethnic customers about the ethnic products.¹⁴⁴ In the case of the second wave immigrants in Luton, the concept of Indian restaurants was not as familiar to the customers as in London, so they had to educate the customers about the product. But after embedding the product into the market, relationship management and continuous innovation was necessary in both East London and Luton. In response to the question about their differentiation strategy, one interviewee stated that continuous innovation of product was the key. The need for innovation is clear from the evolution undergone by the menu and is consistent with Jamal's argument. It can be understood that for the second wave of entrepreneurs, a combination of transactional, relationship and innovation strategies were used, with the entrepreneurs emphasizing more on the latter two.

Third wave of migrants

Similar to the second wave migrants, the third wave migrants also applied a combination of transactional, relational and innovation marketing strategies. But the restaurants whose main customer segment was co-ethnics, relational marketing approach played a far more important role than the other two marketing techniques. As mentioned previously, the third wave interviewee participants targeted more of a Bangladeshi clientele and offered Bangladeshi cuisine, an apart from locating in the Bangladeshi neighbourhood, they also had to develop a good relationship with them to ensure regular visits from them. Based on Jamal's research findings on ethnic retail outlets and restaurants owned by Bangladeshi, Chinese and Pakistani immigrants in London, co-ethnics felt more comfortable to frequent other ethnic retail outlets because they trusted the owner. During his study, one of his interviewees, a Bangladeshi in his early forties, shared that he preferred to go to grocery stores run by other Bangladeshis because

¹⁴⁴ Jamal, "Playing to win: an explorative study of marketing strategies of small ethnic retail entrepreneurs in the UK"

“they are nice and polite with us and they are trustworthy and knowledgeable about product that I need to buy”.¹⁴⁵

According to Waldinger et al. it is difficult for ethnic firms to compete with other competitors on the basis of price only. They also need to be wary of the attitudes and buying habits of their target clientele.¹⁴⁶ Developing a good relationship ensure customer loyalty. During the course of my interview, I would sometimes eat lunch in one of the Bangladeshi restaurants and one of the restaurants provided some free side dishes with the main dish, and this is before I revealed to them that I am a researcher. This type of practice is consistent with the research, which suggests that ethnic minority businesses tend to give special discounts or offer extra services to retain their customers.¹⁴⁷

The phenomenon was similar in Luton with the sweet shops having largely Bangladeshi customers and banked on good relationship management to sell their products. When asked about their customers, the owners said it was largely Bangladeshis and a few Pakistanis. From the interaction between the few customers with the owner that came to the shop during the interview, it seemed that they knew each other very well. It could be inferred that from the way they were referring to the owner as ‘bhai’ which means brother in Bengali and a term used to address one’s kin. Apart from the way they were talking, one customer was also asking about a particular sweet and even noticed that they were offering a new type of sweet which indicated he was a regular customer. Some of the customers were even asking the owner about his family, signalling a close relationship. The establishment seemed liked it catered specifically to ethnic customers and so the importance of relationship management was paramount.

According to scholars, targeting ethnic customers is an effective strategy for ethnic minority businesses to enter their target sector because it gives them a competitive advantage compared to the other native competitors.¹⁴⁸ Moreover, the theory of ethnic entrepreneurship postulates that it is easier for ethnic minority businesses to deal with their fellow co-ethnic customers because they share the same language which makes transaction much easier.¹⁴⁹ In addition,

¹⁴⁵ Ibid, p.8

¹⁴⁶ Waldinger et al. *Ethnic entrepreneurs: Immigrant business in industrial societies*, p.46

¹⁴⁷ibid

¹⁴⁸Monder Ram, and Guy Hillin, "Achieving ‘break-out’: developing mainstream ethnic minority businesses," *Journal of Small Business and Enterprise Development* 1, no. 2 (1994): pp.15-21; Waldinger et al, *Ethnic entrepreneurs: Immigrant business in industrial societies*

¹⁴⁹ ibid

having a loyal customer clientele is useful because of word of mouth marketing within the ethnic community. Due to strong ethnic network, word of a better product or good behaviours from an ethnic business owner's end spreads quickly within the community and helps to attract more customer to the establishment.¹⁵⁰

In contrast, third wave migrants who target the mainstream population, emphasise more on transactional and innovation marketing strategies. One of the interviewees, whose establishment was located in the heart of Brick Lane, which is bustling with tourists during the evening, shared his struggles with attracting customers. "It is very difficult to get customers here because of the many restaurants that set up around Brick Lane. Before we used to get customers from the commercial district which is pretty close to here but now since there are so many restaurants outside Brick Lane, people don't come here anymore, that's why a lot of restaurants are closing down in this area".¹⁵¹ However, another interviewee disagreed by saying that "some of the businesses are closing down because of staff shortages but we do still get a lot of customers".¹⁵²

Perhaps the former's focus only on positioning of the restaurant is proving detrimental for his business. His establishment was practically empty, leaving one or two customers and the owner did not have time to engage with them because he lacked staff. However, the restaurant had a buffet system, so perhaps engaging with the customers was not the idea. Some non-entrepreneurial interviewees mentioned that recent migrants who are targeting the white population are setting up fusion cuisine restaurants and trendy cafes to attract the customers.¹⁵³ It seems that for non-ethnic customers, innovation is the marketing strategy adopted by these immigrant entrepreneurs.

5.2.6: Marketing channels

This subsection would elaborate more on the promotional aspect of the 4P's used by the Bangladeshi immigrant entrepreneurs in London and Luton:

Festivals

¹⁵⁰ Jamal, "Playing to win: an explorative study of marketing strategies of small ethnic retail entrepreneurs in the UK", p.8

¹⁵¹ Interviewee 4

¹⁵² Interviewee 16

¹⁵³ Interviewee 12 and Interviewee 13

Annual curry festivals: The Brick Lane annual festivals such as the international curry festival and the Brick Lane festival was a scheme developed by Cityside regeneration to rebrand the image of Brick Lane and market it as a tourist destination. Although it was started by Cityside regeneration and run by the Bangla Town Restaurant association (BTRA), an association formed by Cityside regeneration, the operations and management of the curry festival has been taken over by the restaurateurs themselves.¹⁵⁴ The history of the formation of Bangla town lies with the anti-racist movement initiatives taken by the members of the Bangladeshi youth front and the continuous lobbying to the city council by the restaurant owners, but is outside the scope of this paper to discuss in detail. To promote the image of Bangla town as an ethnic neighbourhood and tourist attraction like China town, the idea of the curry festival was hatched. The festival was a half day event where all the restaurants in Brick lane and the Tower Hamlets area have the opportunity to display some of their best curries for the public to enjoy.¹⁵⁵

The festival is accompanied by a curry competition where the mayor of London chooses the winner based on the taste and innovativeness of the curry. For the restaurateurs, the festival offers an effective marketing channel to promote their products because these festivals not only attract the Bangladeshis who live in Spitalfields but also British people and tourists. Also, the festival used to be funded by Cityside regeneration and later passed to the EMEP, a local business support organization which is part of the regeneration scheme¹⁵⁶, and as a result the festivals are a cost-free way for the restaurants to show off their menus while reaching a large potential customer base. Although this is an innovation by the third wave migrants, the second wave immigrants also benefit from this marketing channel, however, this channel is only used in East London and not applicable to Luton.

Boishaki mela: The figure below shows a snapshot of the annual Boishaki mela e-poster. Boishaki mela is a festival to celebrate the Bengali new year through street parades, food stalls and other cultural activities. As outlined in the poster, the celebration consists of music from locally well-known brands and selection of tasty cuisines. The food is provided by the Bangladeshi restaurants around the Tower Hamlets, Spitalfields area and again, provides a cost-free avenue to promote their products. Although, the more wealthier restaurant owners make some monetary contributions to the festival, especially the ones involved in the

¹⁵⁴Frost, "Green curry: Politics and place-making on Brick Lane," p.232

¹⁵⁵ Ibid

¹⁵⁶ ibid

organising community. By and large these festivals provide a low-cost avenue for the smaller restaurants to promote themselves. But again, this strategy is only applicable to London.

Fig 11: Snapshot of the Boishaki mela advertisement



John Biggs, Mayor of Tower Hamlets said: "The annual Boishakhi Mela is a much loved and anticipated part of London's cultural calendar. We look forward to welcoming huge international artists to entertain thousands of residents and visitors to Tower Hamlets at this year's free event."

Perfect for those that want to relax and find out more about Bengali Arts and Culture, the Mela Family area provides a tranquil hub away from the main stage crowds. There are lots of free creative and wellbeing activities for those of all ages to take part in between 12pm and 6.30pm.

The Mela Market offers a tantalising array of foods alongside a wide range of Bengali and South Asian crafts and goods.

Thrill seekers of all ages will find plenty on offer at the extensive funfair.

Watch highlights of the 2018 Boishakhi Mela [Here](#)

Source: Promotional email sent to author

Ethnic channels: Another channel utilized by both the waves in both London and Luton is through ethnic media. Ethnic media can be defined as newspapers, magazines, reports and television channels run by the ethnic community. Fig 12 shows one such example.

Fig 12: Advertisements on ethnic media



Source: Author

The figure shows a report published by a human rights organisation run by a Bangladeshi woman entrepreneur with a section reserved for advertisements placed by various Bangladeshi run businesses. This use of ethnic channels is another illustration of the strength of the ethnic networks and the assistance provided by them to other ethnic groups.

Mainstream media: In addition to the ethnic channels, the entrepreneurs also place advertisements on the local media outlets, for instance the local newspapers, especially if their target segments are non-ethnic clients. One of the second wave entrepreneur from Luton said

when he started his business, placing advertisements in the local newspaper was their promotion strategy, particularly because it was a time way before the social media.¹⁵⁷

Word of mouth: As mentioned in the marketing strategy section, word of mouth is the most important channel of marketing because it is free and very effective. This channel is useful for both the second and third wave in both London and Luton, which is why the use of relationship marketing and innovation are the most common used marketing strategy as both nice behaviour and innovative products inspire the customers to spread the word about a particular restaurant or food outlet.

Door to Door marketing: Another traditional promotional strategy which was mainly used by the second wave of migrants is door to door marketing. “Back in the day we had to make use of more traditional marketing approaches such as door to door marketing to promote our products. It was a popular form of promotional strategy during that time as most of the companies used to send their salesman to pitch their products. However, it was a bit challenging because our English was not so good and sometimes the customers were rude to us. Now there are more marketing channels such as the social media, so this is no longer practiced”¹⁵⁸ shared one second wave entrepreneur from Luton.

Online marketing: This form of marketing is the most widely used channel by both the waves in both the locations. The third wave particularly benefitted from it because it was not an option for the second wave when they started off. For online marketing, the bigger restaurants pay reliable sites e.g. Trip Advisor to feature their restaurants while the smaller ones, run by recent migrants use channels such as Facebook and Instagram to market their products. Since, nowadays every person on Instagram posts pictures of their food while tagging the restaurant, it is much easier to reach a wide group of audience. It is more like a virtual word of mouth marketing technique.

5.3: Discussion

Table 1: Summary of findings

	Second wave immigrant entrepreneurs	Third wave immigrant entrepreneurs
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¹⁵⁷ Interviewee 9

¹⁵⁸ *ibid*

	London	Luton	London	Luton
Push factor	Low standards of living and political unrest in the host country	Low standards of living and political unrest in the host country		
Pull factor	Better opportunities to attain a higher standard of living in the UK	Better opportunities to attain a higher standard of living in the UK	Better opportunities in the UK and encouragement from relatives living in UK	Better opportunities in the UK and encouragement from relatives living in UK
Market conditions	<ul style="list-style-type: none"> • Low economies of scale • Ethnic products 	<ul style="list-style-type: none"> • Low economies of scale • Ethnic products 	<ul style="list-style-type: none"> • Ethnic consumer markets • Low economies of scale • Ethnic products 	<ul style="list-style-type: none"> • Ethnic consumer markets • Low economies of scale
Access to ownership	<ul style="list-style-type: none"> • Business vacancies through high market demand • Conducive Government policies 	<ul style="list-style-type: none"> • Business vacancies through high market demand • Conducive Government policies 	<ul style="list-style-type: none"> • Saturated market with less business vacancies and high level of competition • Restrictive Government policies 	<ul style="list-style-type: none"> • Less saturated market • Restrictive Government policies

Resource mobilization	<ul style="list-style-type: none"> • Close ties with co-ethnics • Ethnic social networks 	<ul style="list-style-type: none"> • Close ties with co-ethnics • Ethnic social networks 	<ul style="list-style-type: none"> • Close ties with co-ethnics • Ethnic social networks 	<ul style="list-style-type: none"> • Close ties with co-ethnics • Ethnic social networks
Success factors	<ul style="list-style-type: none"> • Good relationship management with the customers • Innovation based on the market needs • Access to cheap labour • Product already embedded in the market • Support from the first wave of migrants • Access to market 	<ul style="list-style-type: none"> • Pioneers of Indian cuisine • Good relationship management with customers • Access to cheap labour • Access to market information • Could use the Bangladeshi restaurants in London as a reference 	<ul style="list-style-type: none"> • Prior business experience • Ethnic networks • Formation of Bangladeshi town • Knowledge of English • Access to market information • Access to cheap raw materials • Support from existing Bangladeshi associations 	<ul style="list-style-type: none"> • Ethnic networks • Market not saturated • Access to cheap raw materials • Support from existing Bangladeshi associations

	informati on			
Challenges	<ul style="list-style-type: none"> • No knowledge of English when they started • No prior business management experience before starting • Racism • Difficult to source local ingredients • Current shortage of labour • Children not interested to join their business 	<ul style="list-style-type: none"> • No knowledge of English when they started • No prior business management experience before starting • Difficult to source local ingredients • Current shortage of labour • Children not interested to join their business 	<ul style="list-style-type: none"> • Saturated market • Labour shortage • Competition from supermarkets and other international cuisines 	<ul style="list-style-type: none"> • Labour shortage • Only target the ethnic consumers so limited growth prospects

The table above summarizes the findings from the previous sections and puts in the interaction model of immigrant entrepreneurs proposed by Waldinger et al.¹⁵⁹ To answer R3:

- ***What are the push, pull, challenges and success factors for these businesses?***

The push factors for the second wave of migrants were the low standards of living and the political instability faced by the Bangladeshis in their home country. Due to favourable government policies in UK, the first wave migrants were able to bring their friends and families through the system of work vouchers and family reunion and employed them in their businesses. This provided the promise of better opportunities and incentivised them to leave their home country. Especially, for the children of the first wave of migrants, UK seemed like a more stable place to grow up compared to the instability surrounding the formation of Bangladesh. As a result, hope of a better life, coupled with the opportunity to gain social mobility acted as a pull factor, while the political instability associated with the formation of a new country acted as a push factor for this migrant wave.

In case of the third migrant wave, the news of success and social status attained by the first two waves acted as a motivator to migrate to UK. Most of these Bangladeshis who settled in UK, send money to their relatives back home and invest in development projects in their home town. This provides the impression to the people back home that these British emigrants have a higher standard of living, which in turn entices them to migrate to UK. However, the government policies regarding immigration were much stringent for the third wave migrants and while the early third wave migrants were able to make use of the work permits issued by their relatives in UK, others went as students and some even went on tourist visas and stayed over as illegal migrants. Most of these migrants entered the restaurant business because the second wave migrants made a lot of money from it. However, some of the migrants to Luton opened sweet shops which was part of a family business, as a way to make money and attain some social mobility. Therefore, the third wave migrants were pulled to the UK by the prospects of better opportunities and a better life.

The primary success factor for the second wave of migrants was the support from the first wave of migrants and the pool of cheap labour available to them. They were able to attain business and customer knowledge from their experience in working under the first wave migrants for a few years and this customer knowledge enabled them to develop a good relationship with the

¹⁵⁹ Waldinger et al, *Ethnic entrepreneurs: Immigrant business in industrial societies*, pp.21-48

customers. Also, when they started their business, curry was already well-known among the British, so they did not need to educate the customers about the product. Particularly for the restaurateurs in Luton, they were able to use the London restaurateurs as a reference which facilitated their business growth. Having strong ethnic networks among the South Asian restaurants enabled them to sustain themselves in the curry industry.

The third wave of entrepreneurs benefitted from the presence of a significant Bangladeshi community in both London and Luton which allowed them to penetrate the food sector by relying on the ethnic community for customers and suppliers. A large population of Bangladeshis strengthened trade ties with Bangladesh, enabling them to get access to cheaper raw materials. However, the formation of Bangla town was probably the most important factor in boosting the growth of the restaurants, because it provided an avenue to promote their product and reach a large customer base. Bangla town also led to the formation of different Bangladeshi business associations which helped in providing training and advisory services to the recent migrants.¹⁶⁰

In terms of Challenges, the second wave of migrants had a much more difficult environment compared to the third wave of migrants. Firstly, most of them had no knowledge of English when they came to the UK which made it difficult to communicate to the customers and cater to their needs. In addition to the language barrier, the social environment for the Bangladeshis was very hostile and they were subject to racist attacks from the British society. Often, the waiting staff would get into fights with the customers because they would call them names and sometimes try to leave without paying for the food.¹⁶¹

The situation was worse because their main customer base consisted of the post pub crowd and so their drunk state propagated the racist behaviour. Also, they had no prior business experience so most of them ended up copying business practices from other Indian restaurants resulting in similar menu, distasteful décor and their inability to raise prices. Moreover, it was difficult for them to source local ingredients because the Bangladeshi population was not so significant yet and it was not easy to import things from Bangladesh and they had to rely on big Indian retail shops which sold instant curry powders, reducing the taste of the food.

¹⁶⁰ Rauf, *Brick Lane, Banglatown, British Bangalee*

¹⁶¹ Monroe, *Star of India: The Spicy Adventures of Curry*, pp.128

Luckily for them, the customers did not have much knowledge of what a curry tasted like, making it easier for them to keep selling it, until the media outlets started questioning the authenticity of the curry. Currently the recent challenge faced by the curry industry is the shortage of labour driven by terrible working conditions and their children not being interested in taking over the family business. “Our children are not interested to take over the business and to be honest, I cannot blame them because with their education they are able to be employed as doctors or lawyers. The future of the curry industry is in danger because if our children do not take over, it would be taken over by foreigners and eventually the Bengali cuisine would fade away” remarked one of the second wave interviewee from Luton¹⁶² when asked about the biggest challenge facing the curry industry today.

However, this shortage of labour is worse for the third wave who are still in the starting stage and need to compete with not only other Indian restaurants but also with other international cuisines and supermarkets. Some of the restaurants try to compensate for the labour shortage by employing non-Bengali staff but they only work part-time, so the owner has most of the pressure to handle and serve the customers through out the day. Moreover, due to the new immigration laws, the restaurants have to pay a fine of £2000 for importing chefs from Bangladesh or India and the chefs need to be paid an annual salary of minimum £29,750¹⁶³ which makes it very difficult for the restaurants to get high skilled staff and which is practically impossible for the restauranters who are just starting off. Due to the precarious state of the curry industry, many new migrants are moving into other ethnic niches such as sweet shops or retail outlets selling clothes and groceries, a phenomenon visible among the third wave of migrants in Luton.

Waldinger et al’s interaction model will be used to analyse the differences in business practices between the second and third wave of entrepreneur and answer R2:

- ***What are the differences in business practices between the second and third waves of Bangladeshi immigrant entrepreneurs between London and Luton?***

As shown in the table above, the second and third wave of migrants operated in different market conditions which resulted in different business approaches. For the second wave of

¹⁶² Interviewee 6

¹⁶³ Ian Trueger,” Starved of skilled chefs, Britain is facing a chicken tikka masala crisis”, Quartz India, Jan 5, 2018, <https://qz.com/india/1171462/starved-of-skilled-chefs-britains-curry-restaurants-are-slowly-dying/>

migrants, they focused on providing ethnic products to the mainstream market while the third wave of migrants focused more on the ethnic market rather than the mainstream market. This is because for the second wave focusing on the ethnic market would be unprofitable because the population was very less, and these people entered this sector by choice and wanted to make money and attain social mobility. While for the third wave migrants, targeting the ethnic consumers was a market penetration strategy as the market was already saturated with curry restaurants catering to the white clientele.

Even the names of the restaurants of the third wave were Bengali words such as 'Kolapata', 'Sonargoan' which means banana leaf and golden village. When I went in to interview the owners, it was mostly packed with Bangladeshis and even the food looked like the food served back home in local restaurants. The third wave of migrants had more nationalist sentiments which they expressed by labelling the restaurants as Bangladeshi rather than Indian, because they wanted to express their sense of identity as being Bangladeshi, which is evident from their efforts to naming their area of operation and residence as Bangla town. This practice is in contrast to the second wave migrants where labelling their restaurant as Indian was a common practice. This may also be a reason associated with why the restaurants did not attract much white clientele, because they were more familiar with the concept of Indian restaurants than Bangladeshi.

In fact, the bigger establishments run by second wave entrepreneurs marketed their restaurants as Indian and had a predominantly white customer base and served wine and cocktails. On asking the owners why they called it Indian rather than Bangladeshi, all of them had similar reply " back in the day all the restaurants owned by Bangladeshi's were called Indian restaurants because back then Bangladesh was part of India and the British people found Indian restaurants more familiar due to colonial ties and more relatable , so we didn't change the name because it was just easier that way".¹⁶⁴ The owner of Cinnamon club had a more interesting take on it "Bangladesh is a land associated with floods and cyclones, whereas India is associated with romance, the Raj, Taj Mahal, mystique".¹⁶⁵ Apparently, the name of the restaurant was a pretty good indicator in understanding what kind of customers the restaurants wanted to attract.

¹⁶⁴ Interviewee 1,5,6 & 9

¹⁶⁵Palat, "Empire, food and the diaspora: Indian restaurants in Britain", p.175.

Access to business ownership was much easier for the second wave of migrants compared to the third wave of migrants. For a start, the second wave of migrants started off at a time when curry was very popular and not enough restaurants around to meet the market demand. In addition, the work voucher scheme by the British Government was more favourable to acquire cheap labour from Bangladesh compared to the stringent regulations faced by the third wave migrants. Also, for the third wave there was not much vacancy in the market and so they operated with a lower profit margin compared to the second wave migrants. This was evident from the small size of the restaurants and lack of testimonials from online critics compared to the glamorous establishment run by the second wave migrants.

In terms of resource mobilization, the third wave of entrepreneurs relied more on ethnic resources for labour, capital and customer compared to the second wave, but it was mostly a response to a stricter political environment faced by the third wave of migrants compared to the second wave of migrants. By the time the immigration laws changed, the second wave were already established and so their employment was not drastically affected. While the third wave had to resort to employing family labour, Bangladeshi students and Eastern Europeans.

The socio-economic change in UK probably led to the most significant change in business practices among the second wave of entrepreneurs. The menu and décor of the restaurants underwent a dramatic makeover, which turned out well for them in a sense because it pushed them to adopt strategies tailored to their restaurants rather than copying other restaurants. In a way, the change in the socio-economic landscape of UK made these curry restaurants more competitive. The third wave of migrants are operating at a time where café culture and fusion cuisine is the trend. According to one non-entrepreneur, many recent Bangladeshi migrants are opening bar style restaurants in Brick Lane to cater to the tourists and younger generation into the café culture.¹⁶⁶ In fact, one of the third wave entrepreneur shared his intentions of opening another branch of his restaurant which would offer fusion cuisine.¹⁶⁷

There were not many differences in business practices between London and Luton, primarily because most of the Luton restaurateurs used the London business model as a reference and thus having different concentrations of Bangladeshis did not have much impact on the business practices between the entrepreneurs in the two locations. The difference was primarily between

¹⁶⁶ Interviewee 16

¹⁶⁷ Interviewee 8

the third wave in Luton who opted out of the restaurant business and targeted other market niches such as sweet shops and other retail shops.

Finally, to answer the question R1:

- *Do Bangladeshi immigrant entrepreneurs display 'ethnic entrepreneurial' characteristics?*

According to the authors, ethnic entrepreneurs are usually heavily involved with their ethnic community. Based on the discussions so far, it is evident that the Bangladeshi community is a closely-knit group where they support each other in different ways. For instance, the first wave used to get free food and accommodation from their Bangladeshi kin settled in the UK and later on they facilitated the migration of their friends and relatives by providing work vouchers. This phenomenon is also present among the second wave entrepreneurs where they provided free food and accommodation to their Bangladeshi staff and formed business associations to support the Bangladeshi businesses. So, from this perspective they do exhibit ethnic entrepreneurial characteristics. They further fulfil the criteria of being an ethnic entrepreneur by living and socializing with other co-ethnics and participating in different community organizations. Many of the interviewees said that they were part of different Bangladeshi associations which support different community development projects both in UK and in Bangladesh.

However, one contradiction to the theory is that it stipulates that more involved the ethnic entrepreneurs are with the community, the less successful they are because they pursue strategies for the development of the community rather than their businesses. In the case of the Bangladeshi entrepreneurs it seems that in spite of their involvement with the community, their business goals are separate from the community goals. Despite helping out their kin, the second wave entrepreneurs were always focused on making profits for their business. The emphasis on profit is evident from the transformation undergone by the menus, the décor, their business practices in general throughout the two waves and even within the second wave itself to attract more customers.

All the interviewees except one of the third of wave entrepreneur from London, expressed interest to expand their businesses and some of them are already on the process of implementation. In their study, Chagnati and Greene found that only entrepreneurs who were less involved with the community wanted to expand while the ones who were more involved with the community cared more about contributing to the society rather expanding their

business. In a practical context, having community goals over business goals would not allow the business to sustain itself for long and for the Bangladeshis, the whole point of coming to UK was to attain a better standard of living which would not be possible if they did not prioritize their job over other things. Due to the existence of ethnic solidarity they do help each other out and also Islam prescribes that fellow Muslims should always be there for each other, but they still kept their business goals intact.

Although, the most successful Bangladeshi entrepreneurs were the ones owning establishments in the West End who did not rely as much on the ethnic community and employed foreign employees and offered fusion cuisine, while the third wave entrepreneurs who focused specifically on catering to the ethnic markets were rather small scale. But even the West End restaurateurs sat on the board of the community development projects, so the theory does not fit this group. According to this research, being an ethnic entrepreneur does not affect the profitability of the business, it depends more on the business strategy and the resources available to the entrepreneur and the market conditions of operation which determines the profitability of the business. And relying on ethnic resources is the biggest competitive advantage that immigrant entrepreneurs have over other native entrepreneurs.

Based on their study, Chagnati and Greene found that making profit was the primary goal for both groups but the ones who relied more on ethnic resources did not do as well because they were constrained within the ethnic market. For the second wave entrepreneur they did not solely rely on the ethnic market even the third wave for that matter. But the ones who relied more on the ethnic market and less on the mainstream market did not grow as much. This is natural because they had a small customer base which restricted their growth. Thus, from this aspect the theory of the ethnic entrepreneurs makes sense.

However, the third wave migrants chose to target the ethnic customers due to the high level of competition in the mainstream customer segment. They arrived at a time when the curry industry was completely saturated and the only way to survive in the sector was to target a market niche. Thus, they did not choose to target the ethnic consumers but were rather forced to target them as the only means of survival. In their study Chagnati and Greene gathered data by sending questionnaires to random ethnic businesses in different parts of US and found the more involved entrepreneur had a low business performance compared to the less involved

ones¹⁶⁸, but their study completely ignored the market conditions under which these businesses started. On that aspect, the theory of ethnic entrepreneurs again does not make sense for the Bangladeshi entrepreneurs. Perhaps ethnic entrepreneurs are the one who make extensive use of ethnic resources and are involved with the community but the involvement with the community cannot be equated with lower profitability. This study would propose that the definition of ethnic entrepreneurs should be limited to describing them as heavily involved and reliant on the community without bringing in business performance into the definition because a lot of factors affect it.

¹⁶⁸ Chagnati and Greene, “Who Are Ethnic Entrepreneurs? A Study of Entrepreneurs’ Ethnic Involvement and Business Characteristics”, p.138

Conclusion

This paper studied the characteristics of the two waves of Bangladeshi immigrant entrepreneurs operating in the food sector and compared the differences arising between the two waves and between the two cities of London and Luton. Due to a set of historical conditions, majority of these entrepreneurs entered the restaurant business because they had the skill and competitive advantage compared to the native population. Although the first migrant wave started off in the restaurant sector by targeting a market niche of Bangladeshi seamen, they were soon able to break into the mainstream market by adopting a mixture of self-exploitation and localization strategy. The restaurants used to be open long hours and served English dishes alongside Bengali dishes which attracted the pub going crowd. Soon curry became a popular after pub dish which increased the profitability of the curry business and enticed the subsequent waves to enter this sector.

As this was one of the first studies on the business practices of the Bangladeshi immigrant entrepreneurs in UK, the first research question investigated whether the Bangladeshi immigrant entrepreneurs exhibit ethnic entrepreneurial characteristics. The study found that while the Bangladeshi immigrant entrepreneurs conformed to some of the essential ethnic entrepreneurial criteria, it contradicted the rest. For instance, the entrepreneurs made use of ethnic resources and were heavily involved with the community which fulfilled some of the characteristics of being an ethnic entrepreneur, however, the performance of the businesses were not exclusively tied to the involvement with the ethnic community. Rather, factors prescribed by the microeconomic theories of firm such as market conditions and business strategies had a bigger influence on the growth of the businesses.

This brings to question to what extent can immigrant businesses be differentiated from mainstream businesses because at the end of the day both depend on market conditions, business strategies and business acumen of the owner to become successful.¹⁶⁹ However, Waldinger makes the distinction between the two kinds of entrepreneurs in terms of the resources that provides one the competitive advantage over the other. For immigrant entrepreneurs having access to ethnic labour, capital and customers is the biggest advantage they have over a mainstream entrepreneur. Moreover, he postulates that immigrant entrepreneurs incline towards sectors with low entry barriers and focus on small market

¹⁶⁹Enno et al, "Breeding places for ethnic entrepreneurs: a comparative marketing approach", p.78

niches.¹⁷⁰ This research agrees that ethnic entrepreneurs are the ones who make extensive use of the ethnic resources and networks and enter markets with low entry barriers and targets a market niche. The Bangladeshi immigrant entrepreneurs fall under the classification by Waldinger rather than the one prescribed by Chagnati and Greene which found that ethnic entrepreneurs heavily involved with the ethnic community perform worse than the ones not heavily involved.

This paper also found that both the wave of immigrant entrepreneurs are an adaptable group who adjusted their business practices with the changing socio-economic and political landscape of UK. The biggest transformation was undergone in terms of the menu, décor and they changed their marketing approach in par with the times they were operating. Most of them started off with a transactional marketing approach but in time employed a more relational and innovation marketing approach which helped them sustain themselves. This is a very important element for a business to adapt and grow and only the ones who were able to adapt were able to sustain themselves. In terms of differences arising between London and Luton, there were not many differences in business practices, however, the third wave of migrants in Luton were mostly running sweet shops and not any in the restaurant sector which is a result of the saturation in the curry restaurant sector.

Most of the second wave migrants were economic migrants and some political migrants, all with the intention of being permanent settlers because they expected a better life in UK compared to Bangladesh. The third wave migrants were economic migrants and were attracted to UK by the perceived success achieved by the second wave migrants. Both these groups benefitted extensively from the existence of an ethnic enclave, which provided work experience, source of labour, suppliers, customers and for some cases sources of capital. Now, the biggest challenge facing the curry sector is the shortage of labour which is a result of strict government policies coupled with terrible working conditions and might lead to the downfall of this sector in the near future. “Nowadays there are way too many curry restaurants and quality has declined because they are very commercial. I think the labour shortages would pick out these commercial ventures one by one and only the really good restaurants would finally

¹⁷⁰ Roger David Waldinger, *Still the promised city?: African-Americans and new immigrants in post-industrial New York*, (Harvard University Press, 1999)

remain. So, the curry sector would go back to square one with only few curry restaurants in the UK” commented one of the second wave interviewees on the future of the curry sector.¹⁷¹

This study set out to understand the Bangladeshi immigrant entrepreneurs of London and Luton in the food sector between the second and third wave and conducted a comprehensive analysis of the business practices and push, pull, challenges and success factors of these entrepreneurs. This is one of the first studies exclusively on the Bangladesh immigrant community and adds to the immigrant entrepreneurship literature specifically for South Asian businesses. This study employed a qualitative approach and would recommend more quantitative studies on Bangladeshi immigrant entrepreneurs with a larger sample size in both in UK and other countries to see if there any difference in characteristics based on the country of migration and whether education, previous managerial experience impact on their business performance.

¹⁷¹ Interviewee 6

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Appendix

Appendix 1: Sample interview questions

- Which year did you come to London / Luton?
- What was the reason for this step?
- Tell me about your family in Bangladesh (social status, education)
- Did you have any relatives, friends here before you came? Did they support you to start your new life in London/Luton?
- What is your educational background? Before and after migration?
- Why and how did you choose your type of business?
- Did you have any previous experience in this line of work?
- Why did you pick this location for your business?
- How do you differentiate yourself from other similar Bengali businesses in this area?
- How do you attract/ retain customer?
- How many hours do you work?
- Do you have employees and if yes, are they Bengalis exclusively?
- Do your employees receive minimum wage?
- Are your children involved in this business?
- If not, what do they do?
- Do the Bengali businesses help each other out?
- Do you receive any business trainee ship from the city council or anyone else?
- How would you describe your current social position. Are you doing great or just managing to survive?
- How does the name "Bangla town" of this street impact your business?

Appendix 2a: Sample Consent form

Consent Form

Title of Project:

Name of Researcher:

Basic consent clauses, statement format

I confirm that I have read and understood the Plain Language Statement/Participant Information Sheet for the above study and have had the opportunity to ask questions.

I understand that my participation is voluntary and that I am free to withdraw at any time, without giving any reason.

Consent on method clause

I consent / do not consent (delete as applicable) to interviews being audio-recorded.

(I acknowledge that copies of transcripts will be returned to participants for verification.)

Confidentiality/anonymity clauses

I acknowledge that participants will be referred to by pseudonym.

Basic consent clause, agreement format

I agree / do not agree (delete as applicable) to take part in the above study.

Basic consent clause, tick box format

I agree to take part in this research study

I do not agree to take part in this research study

Signature Section

Name of Participant Signature

Date

Name of Parent/carer (if participant is under 16)

Signature Date

Name of Researcher Signature

Date

Appendix 2b: Plain Language statement

College of Social Sciences Ethics Committee – Plain Language [Statement](#) April 2019



Plain Language Statement

1. Study title and Researcher Details-

- Name of Researcher: Shreya Roy Choudhury 2338247C@student.gla.ac.uk
- School of Social and Political Sciences – Department of Economic and Social History
- Project title - The Bengali Entrepreneurs of Luton and London: *Understanding the evolution of business strategies between subsequent generations of Bangladeshi entrepreneurs*
- Supervisors – Prof. Hartmut [Berghoff](#) and Prof. Jeffrey Fear
- Degree programme – Global Markets and Local Creativities

2. Invitation paragraph

You are being invited to take part in a research study. Before you decide it is important for you to understand why the research is being done and what it will involve. Please take time to read the following information carefully and discuss it with others if you wish. Ask us if there is anything that is not clear or if you would like more information. Take time to decide whether or not you wish to take part.

3. What is the purpose of the study?

The aim of the study is to examine and understand the evolution undergone by the businesses in London and Luton since 1970's in the light of the changing economic and political landscape of UK. This study would contribute in understanding whether the strategies adopted are typical of "ethnic entrepreneurs" and if not, the motivations behind the divergence.

4. Why have I been chosen?

You are one of 10-15 firms in the Brick Lane area in London or in Luton that have been selected because you are a part of the Bangladeshi community and run/part of a Bangladeshi business there. Or because you have lived in the Brick Lane area and have knowledge about the changes experienced here since 1970s.

5. Do I have to take part?

It is up to you to decide whether or not to take part. If you decide to take part, you are still free to withdraw at any time and without giving a reason.

6. What will happen to me if I take part?

This interview will be semi-structured and will last no more than 60 minutes. The interview will be audio-tapped to facilitate transcription. Copies of transcripts will be returned to you for verification. However, it is at your discretion to choose not to record the interview, in which case only written notes would be taken.

7. Will my taking part in this study be kept confidential?

All information which is collected about you during the course of the research will be kept strictly confidential and in accordance with data protection laws. You will be identified by an ID number and any information about you will have your name and address removed so that you cannot be recognised from it. However, please note that confidentiality may not be guaranteed; due to the limited size of the participant sample.

8. What will happen to the results of the research study?

The data collected will be stored in the Glasgow university system and subsequently destroyed. It is important to note that you will not be identified in the report or publication which should be available by the end of this year.

9. Who is organising and funding the research?

This research is in partial fulfilment of the international Master programme in Global Markets and Local Creativities (GLOCAL). The programme is coordinated by the University of Glasgow under the department of Economic and Social History. The programme comprises of two other institutions (University of Barcelona and the University of Gottingen) which make up the consortium. The programme is part of the Erasmus Mundus programme funded by the European Union.

10. Who has reviewed the study?

The project has been reviewed by the School of Social and Political Sciences Ethics Forum.

11. Contact for Further Information

If you require further information on this study, please contact the researcher -Shreya Roy Choudhury on the following email 2338247C@student.gla.ac.uk. Or the Supervisors, Prof. Hartmut Berghoff at Berghoff@uni-goettingen.de and Prof. Jeffrey Fear at Jeffrey.Fear@glasgow.ac.uk

If you have any concerns regarding the conduct of the research project you can contact the School of Social and Political Sciences Ethics Officer, email: Susan.Batchelor@glasgow.ac.uk

Thank you for reading this.

Declaration

I hereby declare that I wrote this thesis paper independently, without assistance from external parties, and without use of other resources than those indicated. All information taken from other publications or sources in text or in meaning are duly acknowledged in the text. The written and electric forms of the thesis paper are the same. I give my consent to have this thesis checked by plagiarism software.

Signature: 

Date: 15.08.2019