

Ethnic Chamber Of Commerce's Impact On Latino (Hispanics) Constituencies' Business Performance

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Abstract

Latino (Hispanic) business entrepreneurs in the United States are a large growing minority population that experiences low business performance. Ethnic chambers of commerce may create a social network and support business performance. The purpose of this qualitative multiple-case study was to explore the experiences of immigrant Latino entrepreneurs about how membership in a chamber of commerce influences their business performance. Eleven Latino entrepreneurs from four Latino chambers of commerce in Long Island volunteered to be interviewed. A pretest was sent to each volunteer to learn about their business performance using the BLUES (Business, Leadership, Startup Evaluator) evaluation areas. Then, an in-depth interview followed, asking: How do you believe that being part of a chamber of commerce increases consumer preference, good reputation, future patronage, and awareness of their business? Findings show that being part of an ethnic chamber of commerce impacts getting clients, creating trust, and increasing social capital by connecting with other members.

Keywords: Latino entrepreneur, multi-case, chamber of commerce, business performance

Introduction

Ethnic chambers of commerce create a social-spatial place for immigrant entrepreneurs to socialize and create spaces that evoke and relate to their origin. Robertson and Grant (2016) confirmed that immigrant entrepreneurs often benefit from joining an ethnic group's social network when starting and running a business. In a study in Australia, Bakalis (2011) discussed the role of ethnic chambers of commerce in promoting international business activity and opportunities for the development of effective partnerships

(Bakalis, 2011). Entrepreneurs are agents that construct their identity, time, and place (Hytti & O’Gorman, 2010). They review how these constructs affect their decisions, plus whether they will eventually affect their business performance. In the US, there has been an increase in the number of ethnic chambers of commerce that support their members in their native language while offering networking opportunities that can lead to business growth (Tafoya, 2015). For example, on Long Island, NY, there are several Latino Chambers of Commerce: Salvadorean-American, Peruvian-American, Hispanic, and Colombia-American. Recently, in 2023, there have been two newly founded ethnic chamber of commerce: Dominican-American and Ecuadorian-American.

In the United States, despite the US Hispanic community’s purchasing power of \$1.3 trillion and a population of more than 59.8 million (of whom 23.1 million speak English fluently major obstacles to the growth of Hispanic entrepreneurship continue to center around a lack of access to equity capital (Herrera, 2014; CNN Editorial Research, 2020). Latino business entrepreneurs in the United States are a large growing minority population that experiences low business performance (Gaynor, 2017; Ortiz-Walters, Gavino, & Williams, 2015). Because the poorer performance of Latino-owned firms has been attributed to a lack of financial, human, and social capital (Haber & Reichel, 2015), the United States Hispanic Chamber of Commerce (USHCC) has worked closely with corporate America and the federal government to level the playing field for Latino-owned businesses by ensuring they have access to new contract opportunities (Herrera, 2014).

Several practitioners such as Otto Merida, President and CEO of the Latin Chamber of Commerce in Las Vegas, Nevada (EC Hispanic Media, 2016), and Gustavo Reyes, President of the Peruvian American Chamber of Commerce on Long Island have indicated that Latino entrepreneurs who belong to chambers of commerce perform better due to their access to networking (social capital) and financial advocacy (Stone, 2015; Hesson, 2011). There is a gap in the literature about how being members of Latino chambers of commerce influences immigrant Latino entrepreneurs’ decisions on improving their business performance (Delerme, 2017; Gaynor, 2017). Further research is needed to understand the role of chambers of commerce or social

agencies on social capital, human capital, and financial capital, specifically in regard to the immigrant Latino entrepreneur (Delerme, 2017).

In a database search, the Aspen Institute researchers found almost no studies on business success strategies for immigrant Latino entrepreneurship. In response, the Aspen Institute (2017) called for more research in successful strategies of Latino entrepreneurs (<https://www.aspeninstitute.org/blog-posts/driving-success-latino-entrepreneurs/>). Aspen concluded the need of building broader coalitions to collect rich data and ensure that it reaches innovative policy-makers, funders, and service providers.

The purpose of this qualitative multiple-case study was to explore the experiences of immigrant Latino entrepreneurs regarding how membership in a chamber of commerce influences the performance of their businesses.

This study will answer the following research question: What themes emerge from key insights of Latino immigrant entrepreneurs who belong to an ethnic chamber of commerce regarding how this membership influences their business' performance?

Theoretical framework

The earliest locally based chamber was the Charleston Chamber of Commerce, which was believed to be the first chamber in the United States, dating back to 1772 (US Chamber of Commerce, 2012). In 1773, the chamber of commerce in Boston led a vigorous public protest the tax that had been imposed by the British on tea. That protest was known as the Boston Tea Party (US Chamber of Commerce, 2012). In 2023, there are over 5,000 state and local chamber chapters and 3,000,000 business members in the US (US Chamber of Commerce, n.d.). The role of a chamber of commerce is often seen as a stimulator of economic initiative and to increase business competitiveness (Popescu, 2016). Ethnic chambers of commerce are chambers tailored for a specific ethnic group. In the United States, there are several ethnic chambers of commerce, such as the African American Chamber of Commerce, the Hispanic Chamber of Commerce, the Asian, the Indian, and the Native American (Neufell, 2008).

The role of ethnic chambers of commerce is to

advocate for its members, and there has been an increase in ethnic chambers of commerce that support their members in their native language. A chamber of commerce is a vital force in any community, large or small, yet little academic research has been done on them. Singh (2019), in his article “what is the role of chambers of commerce?” explained that chambers of commerce render useful services to businessmen and the government. He stated that “chambers of commerce serve as friends, philosophers and guides to the business community” (para. 2). Singh also stated that businessmen get valuable information free of cost as they can discuss problems, exchange views and foster a sense of cooperation.

In 2014, the Schapiro Group Inc. conducted a research study to learn the effectiveness of joining a chamber of commerce. They found evidence that showed the impact of chambers of commerce on their communities (The Schapiro Group Inc, 2014).

Kerr and Mandorff (2015) provided a theoretical model and empirical evidence of how small group sizes and social isolation can offer comparative advantages to ethnicities in self-employed sectors where the entrepreneurs benefit from the tight networking of their social group (Kerr & Mandorff, 2015). In the same way, Vuković, Kedmenec, Postolov, Jovanovski, and Korent (2017) found that the more significant predictor of entrepreneurial intention was acquaintance with other entrepreneurs. They asserted that their findings show that bridging and bonding social capital influences entrepreneurial intention.

The Shapiro Group Inc. (2014) presented information about how belonging to chambers of commerce increments sales, especially in small and medium-sized businesses (See Table 1).

Table. 1 The Impact of Chamber Membership on Small Businesses

	Percent increase in Consumer Favorability	Percent increase in Consumer Awareness	Percent increase in Local Reputation	Percent increase in Likelihood of Future Patronage
Overall	44	51	57	63

Region				
Northeast	44	54	34	66
Midwest	28	55	53	49
South	45	43	82	83
West	51	47	54	56

Source: The Schapiro Group Inc., p. 7 (The Schapiro Group Inc., 2014)

Table 1 indicates that if respondents in the US Northeast area know that a small business is a member of its local chamber, the business enjoys a 44 % increase in its consumer favorability rating, a 54 % increase in consumer awareness, a 34 % increase in its local reputation, and a 66 % increase in the likelihood that consumers will patronize the business in the future.

Lacho and Brockman (2011) studied how a small business could be promoted through the services of a chamber of commerce. Their study of a single chamber showed that listings are used and event sponsorships are available for its members (Lacho & Brockmann, 2011). Bakalis (2011) demonstrated that the role of ethnic business communities in international business is crucial in Australia. Further, ethnic chambers of commerce provide many opportunities for networking, e.g., at luncheons or special networking events. Such support includes grand openings, sponsorships, and allowing the chamber logo to be used in the business member's advertising, letterhead, and business cards. Ethnic chambers of commerce tend to help the business get "minority certified," allowing them to apply for minority contracts offered by corporations and government agencies (Shrikant, 2018).

Self-employment of immigrants is viewed as an effective strategy, improving the economic situation of ethnic minorities and enabling their economic integration into the host country (Brzosowski, 2017). In a study about ethnic chambers of commerce, Shrikant (2018) described how the chambers integrate race, origin, and ethnic background as part of a professional identity. Ethnic

chambers of commerce associated members with social capital and professional status and concluded that they tend to speak their mother tongue with those of a similar background (Shrikant, 2018). Chambers of commerce contribute to building social capital through relationships with other people who come to one's aid when needed (Chouinard, Galinato, & Wandschneider, 2016).

In the United States, some states have created an ethnic chamber of commerce coalition, such as the one in Seattle, Washington. Their goal is their business interest and being listened to by policymakers (<https://www.waethnicchambers.org/>, 2018). Hispanic chambers of commerce and several chambers of commerce of Latino origin, such as Peruvian Americans and Colombian Americans, have similar goals and represent their business constituents' rights and needs. Moreover, business owners often serve as peer mentors (Knouse, 2013). Knouse (2013) concluded that minorities, such as Hispanics, were unable to find more senior people to be mentors; they may focus on colleagues for peer mentoring (Ragins and Kram, 2007). For social support and personal feedback, Hispanics may prefer Hispanic peers who understand their culture and values (Knouse, 2013). This supported environment can be found in their chamber of commerce, where most meetings are conducted in their native language.

In their speeches, presidents of Latino/Hispanic chambers in various cities have delivered a constant theme of helping Latino entrepreneurs launch businesses, create jobs, and improve the regional economy. They often connect with local stakeholders and politicians. They also become a political power and the business voice, not only for the ethnic group in the region but also for their consulates (most of them hold dual nationality) (Avila, 2016). The US Hispanic Chamber of Commerce continually provides data to help businesses and politicians make policy decisions. They reported that four states (California, Texas, New York, and Florida) hold 73 % of the Hispanic market. Latino/Hispanic chambers of commerce have promised to their constituents to promote and support "Hispanic small businesses through programs, services, and legislative advocacy" (<https://www.hccstl.com/>). There is a lack of research on the effects of this membership on their members' business performance.

Hispanics in the United States are a large growing

minority population that experiences low business performance (Ortiz-Walters, Gavino, & Williams, 2015). Robb (2002) stated that Latinos who are less financially sound are more likely to fail. Controversially, a Latino entrepreneur is more likely to start and fail at business startups than the majority of the population (Bruner, 2011). Basu (2011) researched successful business strategies for immigrant entrepreneurs in the UK. He carried out an in-depth study by interviewing 195 individuals with large companies. Basu wanted to understand their motives for migration, business entry, and how they had succeeded in expanding their businesses. A majority (55%) of the entrepreneurs interviewed had at least some business links with their home country at the time of the interview. Basu (2011) concluded that: "Immigrant entrepreneurs who expand their businesses grasp opportunities to break out of geographically proximate market boundaries. They adapt and, if necessary, re-position their product offerings to attract a broader market nationally or internationally. This process usually means that they have to look beyond their co-ethnic community clientele to the host community market or markets around the world" (page 17).

It is essential to understand the significant differences between immigrant Latino entrepreneurs and the rest of the entrepreneurs that may affect their business performance. Kerr and Kerr (2018) in *Immigrant Entrepreneurship in America: Evidence from the Survey of Business Owners 2007 & 2012* discussed the differences between immigrant- and native-owned businesses in terms of employment, wages, and other job characteristics like employer-provided benefits. They concluded that immigrant-owned firms are somewhat smaller than the others in terms of employee counts but have comparable sales per employee; the jobs created by immigrant firms have lower average salaries, lower provisions of health, and fewer retirement benefits. However, businesses owned by immigrants show a higher rate of engagement in international activity such as exporting and launching overseas facilities. This factor is also noted as several ethnic chambers of commerce offer support in import/export activities.

Das, Kwesiga, SardesmuKh, and Juma (2017) discussed the cost implicated in working with other countries or not having experience in the new host country. They introduced

the concept of "Liability of Foreignness for Immigrant Firms." They explained that there is a cost associated with the establishment of a new host country. In the case of import/export, there are costs directly related to spatial distance, such as the costs of travel, transportation, and coordination over a range and across time zones; in the case of newcomers, there are firm-specific costs based on a particular company's unfamiliarity with and lack of roots in a local environment. Lastly, there are costs from the host country environment such as a lack of legitimacy (Das, Kwesiga, Sardesmukh, & Juma, 2017, p. 19). International trade, however, seems like an opportunity for the Hispanic community. Examples of success are related to international agreements such as the North American Free Trade Agreement (NAFTA) (Mexico, Canada, and the USA), where Mexican American businesses have taken the lead in taking advantage of this agreement (Holguin, Gamboa, & Hoy, 2007).

Das et al. (2017) proposed several strategies to succeed in their host countries. They explained the need to underplay their foreignness or confirm it. In the underplay strategy, they recommend de-emphasizing the founder's foreign/ethnic roots. The authors explained the case of Polo Lauren, who changed his Russian last name to appeal to the English community (Das, Kwesiga, Sardesmukh, & Juma, 2017). In the case of confirming, the founder focused on emphasizing the firm's distinctiveness in competition with other firms but based on the positive attributes of its immigrant founder's ethnicity. This model is seen in ethnic restaurants where they need to present themselves as Mexican food, Brazilian food, and so on.

Several organizations have discussed how to measure business performance (Peterková, Wozniaková, and Skopalová (2015) and presented an innovative way to measure startups created by the Sout Moravian Innovation Centre called Business, Leadership, Startup Evaluator (BLUES). The basis of this instrument is the ability to survive. They created a reliable system that can be used to benchmark companies and help them discuss areas of weakness and strength. The BLUES model takes over the EFQM 2013 model, which has been used successfully and translated into 30 languages (<https://www.efqm.org/index.php/efqm-model-2013/>). The basis of the EFQM Model consists of the Total Quality

Management (TQM) concept. The model aims for sustainable excellence in which quality, efficiency, and sustainability are the key elements.

The five organizational areas indicate how these objectives can be achieved: leadership, people, policy and strategy, partnerships, and resources and processes and the four results indicate what the intended objectives are: people result, customer result, society result, and key performance results (Mulder, 2012). The BLUES methodology provides mainly qualitative information and has been proven with several startups. Each of the questions have five possible answers. Table 2 presents the areas proposed by the BLUES methodology. As Table 2 demonstrates, this performance evaluation system is divided into the areas necessary for the establishment (product and customers), areas for the preservation of the company (finance and information), and areas needed for its development (people, process, and motivation).

Table 2. BLUES (Business, Leadership, Startup Evaluator) Evaluation Areas

Area	Criterion
Product	<ol style="list-style-type: none"> 1. Owner's ability to make a product 2. Feasibility of product's concept
Customers	<ol style="list-style-type: none"> 3. Knowledge of customers' needs 4. Winning of customers
Finance	<ol style="list-style-type: none"> 5. Sufficient cash for entrepreneurship 6. Sufficient cash for individual needs 7. Practicable plan of costs and revenues 8. Practicable plan of cash flow 9. Knowledge and calculation of break-even point 10. Prices and costs calculations

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Area	Criterion
Information	11. An information network of partners 12. Strategic planning-business plan
People	13. Assurance of personal support of family 14. Selection and recruitment of employees 15. Motivation and fluctuation of employees 16. Ability to delegate
Processes	17. Process and control mechanisms 18. Level of Information Centre Technology (ICT) use 19. Capacity planning
Motivation	20. Owners 'motivation

Source: Peterková, j., Wozniaková, Z., & Skopalová, D. (2015).

Robertson and Grant (2016) discussed the middleman strategy; this is related to entrepreneurs who are not intending to stay in the country and still have strong roots in their home country. These entrepreneurs send money to their relatives that still live in their home country. They observed that the most culturally acclimated to the new host country often serve as a middleman for newcomers. They do not spend time understanding and developing a new national identity. Robertson and Grant (2016) hypothesized the companies form, but this group—who do not intend to stay in the host country—is short-lived. Robertson and Grant (2016) also found that, in the case of Canadian immigrant entrepreneurs, the use of social capital, the strength of cultural and national identity, acculturation, and perceived discrimination were related to decisions made throughout the business and ultimately affected their business performance.

The role of ethnic chambers of commerce is crucial in

this relationship. Major obstacles to the growth of Hispanic entrepreneurship continue to center around a lack of access to capital equity despite the US Hispanic community's purchasing power of \$600 billion and a population of more than 38 million (Herrera, 2014).

Methodology

The purpose of this qualitative, multiple-case study was to explore the experiences of immigrant Latino entrepreneurs regarding how membership in a chamber of commerce influences their business' performance. To accomplish this study's purpose, it was necessary to collect in-depth data on immigrant Latino entrepreneurs who are members of one of the four ethnic chambers of commerce on Long Island, New York; a cross-case synthesis was then performed. Four ethnic and established chambers were part of this study. A qualitative multi-case study was recommended for this study. The rationale for choosing a qualitative multi-case study approach was that this would give a much deeper insight into how emerging themes directly and indirectly impacted the successes or failures of immigrant Latino entrepreneurs in their businesses. Moreover, this alluded to their business' performance and ability to survive. Yin (2018) described that in a multi-case study each unit is evaluated as a single case and evaluates its own fieldwork before arriving at findings and conclusions across multi-case studies.

As a multi-case study, the researcher studied each unit of analysis. The unit of analysis was the immigrant Latino entrepreneur with membership in an ethnic chamber of commerce. The terms Hispanics and Latinos are used interchangeably although there is a slight difference. For example, Latino refers more exclusively to persons or communities of Latin American origin.

This researcher selected a multi-case study instead of an experimental study because of the variation in the degree of control exercised over theoretical concepts. Yin (2018) explained that a case study could contain a single or multiple-case study, and the researcher has to select the best option to understand the phenomenon. Yin mentioned that in multiple-case studies, the researcher was able to analyze the data both within each situation and across situations (Yin, 2018). Utilizing multiple cases helps us understand the differences and similarities between the

cases (Baxter & Jack, 2008).

The cross-case analysis allowed for the inclusion of diverse evidence types. It included meta-matrices for partitioning and clustering data in various ways. To analyze our data, we applied a two-step process (Mayring, 2008). The first step was to examine the single cases using thematic analysis and in the second step, the researcher engaged in a cross-case analysis.

After the IRB approval, the researcher visited each chamber of commerce and asked for volunteers to be interviewed. Candidates added their names to a sheet. The first three volunteers from each chamber of commerce on the list were called first, and if not available, the researcher continued with the next in line.

The interview data came from four chambers of commerce on Long Island consisting of two to three members per chamber, resulting in a total of eleven people. The established Latino-origin chambers of commerce on Long Island are Colombian American, Hispanic, Peruvian American, and Salvadoran American.

Phase 1) Pre-survey of their business performance

Before the interviews, candidates received a pre-survey consisting of seven open-ended questions to evaluate their business performance based on BLUES (Business, Leadership, Startup Evaluator) Evaluation Areas (Peterková, Wozniaková, & Skopalová, 2015).

Phase 2) One-on-one, structured interviews

The one-on-one structured interviews took 45 to 60 minutes in an agreed-upon location. A tape recorder (voice recorder) was used, and all ethic research standards were implemented.

The interview protocol had four open-ended questions focusing on factors that affect business performance. These four questions were based on Kerr and Mandor (2015). The researcher triangulated their answers using the research notes from observations and pre-survey. The four questions were:

1. How do you believe that being part of a chamber of commerce makes consumers prefer you instead of others who offer similar services or products?

2. How do you believe that by being part of a chamber of commerce, people will perceive you as having a good reputation?

3. How do you believe that by being part of a chamber of commerce, people will consider you for future patronage?

4. How do you believe that by being part of a chamber of commerce, people will learn about your product or service?

Findings

Pre-survey helps the researcher to understand the background of each entrepreneur (Table 3).

Table 3. Pre-survey Details: Finances, Support, People, Processes, and Future

Participants	Activity	Status	Initial investment	Support	People	Processes	Future
H1	Free life coach for entrepreneurs	PT	Personal savings	No need	No need to delegate	Not planning to grow. Life coaching is a hobby	M
H2	Branding specialist	FT	Personal savings	Several, non—profit organizations, chambers of commerce, and friends	Yes, I have part-time employees	Yes, I am currently incrementing my connections and trying to expand to the American Market	G
S1	Real estate	FT	Personal savings	Family, self	I can delegate, but it is limited, I have 4 people- 2 showing agents, and 2 contractors	Yes, I am growing my connections and my company	G
S2	Selling beauty products	PT	Personal savings	Chamber	Not able to delegate	Not planning to grow currently	M

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Participants	Activity	Status	Initial investment	Support	People	Processes	Future
S3	Cleaning services and product membership selling	FT	Personal savings	Husband	I can delegate but it is limited	Interested in closing the cleaning company and focusing on growth of product membership selling	M/G
P1	Real estate online platform selling	FT	Personal savings	None	I can delegate but it is limited	Yes, I have two partners and we are planning to grow	G
P2	Export/Import	PT	Personal savings	Friends and family	Family business, one person	Company is closed	C
P3	Two companies: cleaning services, personal growth training	FT	Former owner, and friends and family	Friends and family	Delegate to family members	Second company "training" has space for growth	M/G
C1	Magazine	PT	Financed by "suppliers" and personal savings	Family	Delegate to three partners	Company is closed	C
C2	Real estate	FT	Personal savings	None	Have helpers but they are not able to make decisions	Yes, currently working in incrementing connections	G
C3	Selling healthy products	PT	Personal savings	Personal savings	No need to delegate	Not now. Not interested in growing at this time	M

Based on Morote (2020). PT- part time, FT- full time, C- closed, M- maintenance, G- potential growth. Individuals H, C, P, and S are members from the Hispanic, Colombian American, Peruvian-American and Salvadorean-American Chamber of commerce respectively

The first step was analyzing the responses to each of the questions as a single case.

Table 4 shows a summary of responses for each of the 11 participants (from the pre-survey and interviews). The researcher assigned a Y if the response had a positive tendency and an N if it had a negative one. The initial questions directly referred to their businesses. The participants chose to talk about other peoples' businesses and how they believed the chamber had helped (or not) others and themselves. The researcher's observation was that some participants did not feel comfortable explaining that they were getting any benefit from a chamber of commerce. Some of them felt offended, as they believed they were there because they wanted to help others. Participants H2, S1, P2, and C3 quickly answered, "I am here to help others, not myself." Then the researcher asked if they believed other members benefitted. The responders felt more at ease talking about others. Please note that participant H1's responses were considered as her perceptions about others. This response occurred because she did not own a company.

Table 4 shows the summary of their responses. When the responders were reluctant to talk about themselves, the researcher switched the question to talk about others' perceptions. Then once the respondents felt comfortable, the researcher asked them to reflect on themselves. Table 4 shows both responses (marked "oth." when the responses were about others).

In Table 4, the column "preference" shows the cases where the respondent felt that being part of a chamber of commerce made consumers prefer them instead of others who offer similar services or products. Fifty % truly believed in the positive effects that belonging to an ethnic chamber had made to their businesses in the case of consumer preference. The other 50% did not due to the nature of their business. However, when people were asked about others, the conversation changed. All but one of them (C3) truly believed that customers preferred the products/services of people from the chamber of commerce.

In Table 4, the column "reputation" shows the responses of the 11 individuals. 70 % of the responders who had businesses believed that people perceived them as having a good reputation by belonging to the chamber. Two real estate brokers (S1 and P1) responded negatively as they stated that

they already had a good reputation when they joined the chamber. The same response came from the person who sells healthy product memberships (C3). However, when asked if they believed that other businesses are perceived as having good reputations due to their membership in the chamber of commerce, they all stated affirmatively; meaning 100 % of the members believed that belonging to a chamber of commerce helped the constituents' businesses to be perceived as having good reputations.

In Table 4, the column "future patronage" shows the responses regarding the question about whether they believed that by being part of a chamber of commerce, people would consider them for future patronage. Their responses were divided; 50 % thought that it did. Three real estate entrepreneurs (S1, C2, and P1) did not feel that belonging to the chamber of commerce helped them with their business' future patronage. They commented that they did not need the chamber of commerce for the kind of business they had. P2 explained that for her type of business (import/export), her clients were not part of the chamber or connected with the chamber. C3 commented that she had a presence before joining the chamber, and she did not need it for growth. When all of the entrepreneurs were asked about others, all but one (C3) considered that belonging to the chamber of commerce helped the other members with future patronage.

In Table 4, the column "Consumer Awareness" shows that 90 % of the responders believe that people learned about their company because of the chamber of commerce activities. C3 stated that she never had an opportunity to talk about her company to others while she was at the chamber meetings. In the case of others, she and all the responders (100%) believed that the chamber helped people to learn about each other's companies.

Table 4. Business Performance: Summary of Responses (myself vs others)

Participant	Preference	Reputation	Future Patronage	Consumer Awareness
Total self	50%	70%	50%	90%
Total others	91%	100%	91%	100%

Y- The participant answered positively to this question; N- The researcher was not convinced that this might be true, at least not for his/her case. G- See this company growing in the future, M- Company is on maintenance (size is being maintained), C- Company is closed.

After performing a cross-case analysis, the following themes emerged on ways that the chamber of commerce contributes to the constituents' business performance 1) connecting, 2) building trust, and 3) getting clients.

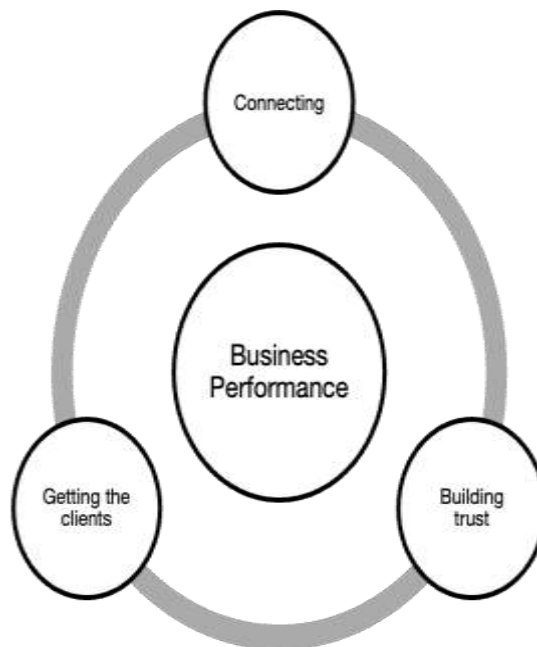


Figure 1. Themes on Influences of Chambers of Commerce on Business Performance.

Theme 1. Connecting

Similar to Shrikant's description (2018), this is related to consumer awareness. The multi-case study showed that a social disposition was critical when the members participated in the networking, workshops, or events prepared by the chamber of commerce that facilitated the connection. Although all participants agreed that the chambers helped the constituents get to know each other's businesses, they all considered that "networking is the heart of the chambers of commerce. Almost everybody

knows what the other is doing" (C1). Entrepreneurs who were eager to grow (G entrepreneurs) described their participation as proactive in those meetings.

The comments of G entrepreneurs showed that they were prepared for these events. G entrepreneurs volunteered to help the chamber with those events (H2, S1, S3, P3, and C2). "You have to participate and help the chamber of commerce" (H2); "I am working on increasing my connections, I offer help to the chamber, and promote the events on my social media" (C2). H2 described that he organized one networking event in which he was the presenter. The chamber supported him by promoting the event. He stated that he obtained several clients after the event. M entrepreneurs, entrepreneurs on "maintenance," means that their business has grown at a pace with which they are satisfied with. They had their established clientele attend the networking events, workshops, and galas to build social connections. "I don't provide my business card at the events. I prefer to develop a personal relationship and not talk about my business" (P1). Some of them do not like to be aggressive or even talk about their business for political reasons. C3 explained that while she was a board member of the chamber, she did not speak with others about her business because she did not want them to feel that she was taking advantage of her position. All of the responders believed that the chamber of commerce had helped people to learn about each other's business. This belief was not only related to getting clientele but also to getting new business partners. P2 expressed that she opened more export markets with two entrepreneurs whom she met at the chamber meetings. She had been exporting wine from South America to China and then created a second endeavor exporting quinoa from Peru to the USA with these two entrepreneurs. She highly valued those connections. H1 also explained that she had seen entrepreneurs meet at the chamber and develop ventures together.

The language also played a role in these connections. Individuals who were not versed in the English language were able to find their voices at these events. They found people who understood them and listened to them. S3 expressed, "I still don't speak enough English to go big, but I can discuss my ideas, sell, and grow with the Latino market." H2 commented, "people find a place and

connection with people who have similar experiences and have experienced similar market marginalization."

Theme 2: Building Trust

Shrikant (2018) call it "reputation." The question about reputation ended with all the entrepreneurs that belonged to the chamber being perceived as having good reputations. Reputation and trust were highly connected in the minds of the participants. The participants' chosen word was "trust." "People trust your product; people trust you because they believe that the chamber has done a quality control" (P1). "The chamber acts as an informal better business bureau (BBB)" (C1). "People asked us to have certificates so they could have them posted in their businesses" (S2). The participants recognized that by belonging to an organization you are "perceived as having a good reputation" (H1). To get to the next step (more clients), people need to trust in you first. "You need to develop that personal relationship" (P1). It was a little controversial when questioned about "reputation" per se; some members perceived that they were already successful, and the product or service had a good reputation before coming to the chamber (S1, P1, and C3). C3 explained, "I did not need to tell a person that I belonged to a chamber of commerce to trust my product." But at the same time, S1 and P1 considered the importance of building trust with their clients and admitted that belonging to a chamber of commerce helped with this.

Theme 3: Getting the Clients

Shrikant's (2018) will refer to this as Future Patronage & Preference. Most of the entrepreneurs believe that the ethnic chamber of commerce contributed to getting those clients they needed in one way or another. "After people understand your business and have developed a trust and a relationship, you are ready to have loyal clients" (S3). The responses about the chamber of commerce helping people get clients were mixed. Even board members were reluctant to promise this to their new members. "Members come with the expectation to sell; we don't guarantee that. We explain this to them; we tell them they must take advantage of the meetings" (business meetings, P). Real estate entrepreneurs and C3 were very vocal about not getting the benefits they were expecting from the chamber. They did admit they made connections, but none of them

became clients. "Some connections were useful, but not directly for my business" (S1). "I have never gotten business because of the chamber, but it has helped me with my social life" (P1). "It seems that you get clients depending on the type of business you are in." P2 expressed, "people trust in you and more likely prefer to hire your services."

Besides, C1 explained that his chamber of commerce created a program alliance between companies, meaning that members try to support each other and buy their products or services. C3 complained about this by saying, "I supported other businesses, but nobody supported me" (C3). The perception of the chamber of commerce's effectiveness in helping their members get clients or add new clients was mixed. It seems that 50% of the interviewees believed that the chambers had not enabled them directly, but at the same time, they had seen other people benefit and get clients. P1, who stated it did not help him, affirmed, "I have seen people exponentially grow their businesses because of their chamber connections" (P1).

Conclusion

Immigrant Latino entrepreneurs in the United States experience hardship because of language limitations and economic discrimination (Robert Wood Johnson Foundation, 2006). The results of this study showed language is a limitation to grow a business outside of the Hispanic community and to get relational social capital (connections such as banks or social agencies). The ethnic chambers of commerce function as a bridge between the immigrant Latino entrepreneurs and the social agencies. That connection goes beyond business connections; it helps with migration and understanding how to navigate the host country. This study agreed with Robertson and Grant (2016), who found that immigrant entrepreneurs often benefit from being part of an ethnic group's social network when starting and running a business. Some demographic findings matched previous studies, such as the New American Economy (2017), that stated that immigrant Latino entrepreneurs were highly concentrated in service areas. Most of the members of the chambers of commerce were in the service area. Also, Geospace and the US Hispanic Chamber of Commerce (2017) stated that immigrant Latino entrepreneurs were between the ages of

35 to 54. This is similar to the generations of the Latino members of the chambers of commerce in this study.

Shrikant (2018) found that ethnic chambers of commerce were sources of social capital. This study found that ethnic chambers of commerce provided a sense of belonging, helped to build connections, and helped to connect with the social agencies that support entrepreneurship.

The researcher pre-surveyed the immigrant Latino entrepreneurs and measured their business' ability to survive. This study had six of the immigrant Latino entrepreneurs classified as G (business is growing), three on maintenance (M), and two closed (C) (looking for new ventures). The researcher found an association in their responses concerning whether the immigrant Latino entrepreneurs were looking to grow their company or not. There was also an association if the person was a part-time entrepreneur or not. Entrepreneurs who worked full time towards growing their company, tended to see more benefits from the chamber of commerce than the ones who were part-time entrepreneurs or who preferred to maintain the company as it was.

The interviews were focused on four areas that were evaluated by the Shapiro Group Inc. study (2014). Those four areas are: 1) consumer favorability, 2) consumer awareness, 3) local reputation, and 4) likelihood of future patronage. The Shapiro Group study (2014) did an analysis of the impact of chamber membership on small businesses (Table 5, first row). This researcher added a second row on the impact of the ethnic chambers of commerce based on the responses of the 11 people interviewed. The responders showed that belonging to an ethnic chamber of commerce increased their local reputation (70 % versus national average 57 %) and increased consumer awareness (80 % versus 51 % national average). However, it showed a lower percentage regarding future patronage (50 % versus 63 % national average). Consumer favorability was slightly higher (50 % versus 44 %).

Table 5. The Impact of Chamber Membership on Small Businesses (revised)

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	Percent increase in Consumer Favorability	Percent increase in Consumer Awareness	Percent increase in Local Reputation	Percent increase in Likelihood of Future Patronage
Overall	44	51	57	63
Ethnic Chamber	50	80	70	50

Source: first row from Shrikant (2018), second row (author)

The findings were consistent with Shrikant (2018), who evaluated the role of ethnic chambers of commerce in Australia. The ethnic chambers of commerce on Long Island have played an important role. Their effectiveness in consumer awareness and local reputations was higher than the other chambers in the USA but slightly lower in the cases of consumer favorability and future patronage.

An emerging theme was "suggestions for improvement." Participants were eager to provide information on the areas where they believed chambers could improve their services. Participants commented on the following areas: to offer more financial education, to support English language acquisition, and to find ways to get grants and not depend solely on volunteers. They understood that chambers were composed of volunteers, and people had limited time.

Regarding business performance, there were three major themes.

Theme 1. Connecting

Concerning the effects of ethnic chambers of commerce on their members' business performance, connecting was related to learning about each other, consumer awareness, and favorability. The chamber of commerce's role should be to create an environment of learning about each other's business. Singh (2019) explained that chambers of commerce create markets for their members' products by organizing fairs and exhibitions. Ethnic chambers of commerce have provided those opportunities, and several formal and informal networking activities. Eight percent of the interviewees believed that their chambers helped them with consumer awareness. In the same way, Kerr and Mandorff's (2015) study provided a theoretical model and

empirical evidence of how small group sizes and social isolation could offer comparative advantages to ethnicities in self-employed sectors where the entrepreneurs benefited from the tight networking of their social group (Kerr & Mandorff, 2015). These connections were realized in the ethnic chambers of commerce in this study. Results presented on Table 5 shows that 80 percent of the immigrant Latino entrepreneurs believed that belonging to the chamber helped them to increase their consumer awareness (compared with 51 % of the national average).

Theme 2. Building Trust

Shrikant (2018) described how ethnic chambers of commerce integrated race, origin, and ethnic background in professional identity. Ethnic chambers of commerce associated these aspects with social capital and professional status and concluded that members tended to speak in their mother tongue with those of a similar background (Shrikant, 2018). These similarities created an environment of trust for immigrant Latino entrepreneurs to work together. "I don't provide my business card at the events. I prefer to develop a personal relationship and not talk about my business" (P1).

Immigrant Latino entrepreneurs joined the ethnic chambers looking to build trust that would advance their reputation. "Belonging to a chamber gives you legitimization or importance" (P2). Seventy % of the interviewees believed that belonging to the chamber improved their reputation. Utilizing Shrikant's (2018) table, 70 % of the immigrant Latino entrepreneurs believed that belonging to the chamber helped them to increase their trust (compared with 57 % of the national average).

Theme 3. Getting Clients

The goal of most of the members was to increase the number of clients. In this case, the chamber of commerce did not guarantee that it would happen in a short time. There is an indication that this may have occurred in the long run. Members assured that they got friends, people trusted in them, and eventually, this would get leads. Utilizing Shrikant's (2018) table, only half of the immigrant Latino entrepreneurs believed that belonging to the chamber helped them to increase their number of clients (compared with 68% of the national average).

This theme selection may be affected by the type of business operated. The members who claimed that chambers of commerce did not help to get new clients were mostly members whose activities were related to real estate. The second group were members who were dedicated to the import/export business. These types of entrepreneurs deeply appreciated the chamber of commerce for the business and connections, but their clients were usually overseas.

Research Significance

Immigrant Latino entrepreneurs are critical for the economic growth of the United States. In 2018, US Hispanics had \$1.7 trillion in purchasing power (Parker, 2018). In 2020, there were an estimated 59.8 million Hispanic people in the United States, comprising 18.3% of the population (CNN Editorial Research, 2020). There has been extensive research on entrepreneurship, but studies on immigrant Latino entrepreneurs have been limited. The few studies that were found were mostly related to Mexican immigrants (Vallejo & Canizales, 2016).

This study added original data to the literature on immigrant Latino entrepreneurs and shed new light about diverse Latino groups – interviewees came from Central America and South America. This provided a better picture, with not only one specific group representing the entire Latin American population. This study focused not only on immigrant Latino entrepreneurs, but also on the role of ethnic chambers of commerce on their members' business performance. Although studies in ethnic chambers of commerce were performed in Australia and Canada, the few studies in the United States have mostly been on the level of action research. Those few studies were focused on Asian or European chambers of commerce. This study is unique as it presents new views of Latino/Hispanic chambers of commerce, therefore it makes an original contribution to the literature.

Most of the studies explained how or what a chamber of commerce should do, but few discussed the contribution of the chambers to their members' business performance. The first study on the topic was performed by Shrikant (2018). She studied the impact of chamber membership on small businesses. The present study used Shrikant's study as a baseline to contrast the results of this study.

Latin/Hispanic chambers of commerce were compared with the business performance (consumer awareness, consumer preference, reputation, and future patronage) of the rest of the chambers of commerce.

In addition to answering the research questions posed, this study aimed to contribute knowledge to the field of immigrant Latino entrepreneurs' business performance and ethnic chambers of commerce. The multiple-case study approach makes theory building possible through the process of considering various facets of an issue. The study answered questions about how ethnic chamber membership influenced social, financial, and human capital. The study contributed original, in-depth small sample size qualitative data to the current theoretical and practical literature on immigrant Latino entrepreneurs and ethnic chambers of commerce.

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