ETHNIC TRADE AND THE INNER CITIES: WEST INDIAN BUSINESS LINKS WITH THE CARIBBEAN

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1. INTRODUCTION

1.1 Background to the Study

The study was undertaken in 1989 by Warwick University's Centre for Research in Ethnic Relations following an initiative taken by the West India Committee. National Westminster Bank and the Department of Trade and Industry provided sponsorship.

The aim of the study was to determine the scope for increasing trade between West Indian communities in the UK and the English speaking Caribbean, the long term goal being to improve the socio-economic status of West Indian inner city residents by capitalizing on their entrepreneurial abilities.

The focus of the study was initially upon three inner city areas of particular interest to the DTI: Handsworth, Notting Hill, and St Pauls. These areas are classified as economically 'deprived' and benefit from DTI Task Force projects aimed at expanding employment and enterprise opportunities. As the study proceeded it became apparent that West Indian businesses not reliant on a particular location for sales (eg manufacturers producing for the national ethnic market) are not necessarily found in the more depressed inner-city areas. In order to gain a full understanding of trade opportunities businesses located outside the designated areas were also included.

Both export and import opportunities were to be included in the study but, following recognition of the fact that many goods (car parts, electrical appliances) exported to the Caribbean are actively discouraged by Caribbean governments, a decision was taken to restrict the main focus to import opportunities.

1.2 Approach and Methodology

The theoretical foundations of the study lie in the growing body of literature devoted to immigrant businesses and ethnic enterprise.1 In particular, the starting point was Stan Reid's2 attempt to identify the competitive advantages that immigrants would possess in conducting business with their countries of origin.

It was assumed that both the contactual and transactional costs of conducting trade with the Caribbean should be lower for West Indians by virtue of their easier access to the ethnic market and their greater knowledge of supply sources.

The assumptions were explored by means of:

a) Face-to-face and/or telephone interviews interviews with approximately one hundred West Indian entrepreneurs; to determine the market opportunities open to them, the means of servicing them and their links with the Caribbean.

b) Interviews with non-West Indian importers/distributors and with Caribbean High Commission staff.

c) Observations in selected shopping centres and focus interviews with West Indian consumers.

d) Desk research: including analysis of trade statistics and trade advertisements.

1.3 Note on Terminology

To avoid confusion, the designation Caribbean has been used for persons and companies residing or based in the Commonwealth Caribbean. The term West Indian has been used for persons or companies of Caribbean descent residing or based in the UK.

The term ethnic market is often used to refer to that part of trade which is associated with the distribution and retailing of 'ethnic products' regardless of origin. In this study the term is used, instead, to refer to an ethnic minority group (West Indians) as a distinct consumer segment.

2. ETHNIC DEMAND AND THE ETHNIC MARKET

2.1 The Basis of the West Indian Ethnic Market

The West Indian population in the UK numbers around 530,000 (see Annex; Tables 1,3) and is residentially concentrated in certain London boroughs and parts of Birmingham, with smaller concentrations in various inner city districts throughout the country (Table 2). There are few signs of the 'move to the suburbs' associated with other minority groups.

This residential concentration, along with the distinct tastes and shopping patterns of West Indians (see below) forms the basis of the ethnic market.

2.2 Products in Demand

Observations in West Indian areas of London, Birmingham and Bristol and discussions with wholesalers and retailers established the main areas of ethnic demand to be:

a) Food: fresh fruit & vegetables, fish, processed and tinned foods, sauces & spices, preserves, alcoholic & non-alcoholic beverages.

b) Travel (Table 5) and related services: including an estimated 'ethnic travel' market valued at œ17 million.

c) Fashion and Culture: clothing, accessories, beauty products, crafts, records, and printed materials.

Although it was not possible to estimate the exact volume or value of ethnic trade the pattern of Caribbean non-traditional exports to the UK (Tables 4,9,10) suggests that the bulk of these enter the ethnic market. Exceptions include cut flowers, furniture, cigars, preserves and packaged coffee which are targeted at up-market rather than ethnic market outlets.

Closely related to ethnic market demand, however, are:

a) Institutional markets involving the purchase of goods & services by institutions serving ethnic minority clienteles (schools, hospitals, local authorities). Work by the London Food Commission, Birmingham City Council and others indicate that this market is barely exploited.

b) The 'crossover' market for exotic or 'cult' products which are gaining mass market acceptance through greater mainstream awareness via life style, travel or media exposure. Ethnic foods (Table 6), mangoes or reggae provide examples as does Red Stripe, a Jamaican beer once bought by West Indians but now enjoying wider mainstream acceptance. Caribbean foods have an estimated œ271 million share of this market and other Caribbean products with crossover potential include: fruit juices, leisurewear, records, books and crafts.

2.3 West Indian Enterprise

West Indian enterprises have generally arisen in particular inner-city areas to cater to the special tastes of the resident West Indian population. The demand for their services is essentially local. The majority are connected to industries associated with West Indian employment such as construction, engineering and transport; others (Table 16) are committed to retailing and personal services (hairdressing, property, finance). Enterprises which deal in Caribbean based goods & services can be broadly categorised as follows:

Food Related - grocers, fishmongers, off-licenses, bakeries, restaurants/catering.

Travel - travel, shipping, property and finance agencies
Culture & Fashion - culture houses (books, crafts), clothing stores, record shops, beauty parlours, nightclubs.

Of the businesses interviewed during the study the majority were small in size (less than three employees), community based and they conformed to typical West Indian business in Britain (Tables 13,14,16). Their average annual turnover was below œ100,000 and they usually aimed at maintaining their current levels of business. Some, however were interested in backward integration along supply chains and their expansion plans placed an emphasis on distinct Caribbean style products such as new types of food or music, designs or specialised holidays. Lack of capital was the main inhibiting factor to such plans together with the lack of bargaining power which resulted from the small volumes they purchase from suppliers.

A sub-set of these community based businesses consisted of 'community enterprises', which depend mainly on voluntary association and local authority support. They tended to place aims such as employment creation above those of plain commercial success. Some had developed relationships with similar Caribbean based organisations on the basis of shared goals.

Another set of businesses was less dependent on local community support and catered instead for national (ethnic) or mainstream markets. For example, a cosmetics company sold its 'black skin care products' throughout the UK, a food manufacturer was supplying Harrods, a lingerie manufacturer designed for regional chains and a public relations company arranged UK tours for black Americans.

Businesses falling within this group included: newspapers, record distributors, food and clothing manufacturers and a greetings card printer,. Those targeting the national ethnic market were generally engaged in import substitution (eg. producing leather caps as a substitute for Jamaican imports) while those selling in the open market often adapted Caribbean styles to appeal to mainstream tastes. They employed more staff than community based businesses and were less likely to be located purely on the basis of nearness to a local market. They also had specific problems in coping with 'imitators' and with generating the relatively large sums needed for expansion.

2.4 Survival of the Ethnic Market

Importers and wholesalers were disagreed on the prospects of growth within the ethnic market. Some claimed that demand was stable or growing but others were actively trying to shift focus towards the mainstream.

Three key determinants of ethnic market stability were identified.

a) Replacement rate of the population:

The original immigrant population is ageing and, together with the decline in new immigration, there is a decline in the number of births to West Indian mothers born in the Caribbean. Thus West Indians are increasingly UK born.

b) Rate of Acculturation:
Market research demonstrates that acculturation exerts a strong influence on West Indian shoppers. For example; younger housewives, who are more inclined to shop in supermarkets, prefer products and packaging that reflect mainstream standards. Older shoppers, born in the Caribbean, prefer packaging that evokes the image of the Caribbean 'as I remember it'.

West Indian women, who make the main shopping decisions, play a key role in transmitting consumption patterns to their children, particularly given the significant level of female headed households. When asked about the extent to which their children had acculturised to mainstream tastes they expressed the view that children are affected by school and 'street' influences as much as by domestic life. Children born in the UK therefore tend to absorb mainstream preferences until they reach the age of asserting a more 'conscious' identity.

c) Awareness of Caribbean trends:
A strong demand for the latest Caribbean products and fashions results from consumer awareness of current Caribbean trends. The extent to which this information is transmitted, (via ethnic media and travel links) to successive generations will exert an important influence on ethnic market stability.

3. ETHNIC MARKET ACCESS

3.1 Competition for West Indian Custom

West Indian enterprises face intense competition from non-West Indian businesses selling Caribbean goods to West Indian consumers. Observations in London and Birmingham, for example, show that supermarket branches in certain areas stock the more well-known brands in an effort to attract West Indian custom.

Goods and services for which there is a well established demand are also sold by many independent retailers in the inner cities. Caribbean fruits and vegetables, for example, are sold by white, Cypriot or Asian vendors in a variety of corner shops and market stalls.

Asians retailers, in particular, were singled out by respondents as the main competitors to West Indians: both in the food sector and as travel agents, where many offer cheap flights to the Caribbean (Table 16). This partly reflects the fact that areas of West Indian concentration often host large Asian communities. It is also a consequence of the increasing significance of Asian owned businesses in independent retailing.

For a variety of reasons the post-war expansion of and concentration of British multiples has slowed, particularly in the inner-cities. As a result, independent retailers no longer suffer the steep decline in numbers they once experienced (Table 8). Asian owned businesses, which now account for almost half of the inner city independents, have played a key role in the stabilisation process. By offering 'convenience shopping' and catering to diverse tastes, including those of ethnic minorities, they have been able to hold their own against the multiples.

Ward3 offers an explanation for why it is that Asian businesses, rather than West Indian, play such a role in inner cities.

Not only are Asian communities numerically stronger in most places, but they are more densely clustered in the inner city areas of old terraced housing. While still unevenly distributed around the city, West Indians are to be found in roughly equal numbers both in the older working class areas of private housing and in council tenancies.

This clustering of Asian communities in the older parts of the city, together with their particularly distinct tastes, provides an ideal basis for the formation of an 'ethnic business niche'. The process is reinforced to the extent that retail premises are vacated, but not re-occupied by white vendors. West Indians on council estates, in contrast, face a diverse population, and stiff competition for the newer and more profitable, purpose-built retail premises.

An example of West Indian response to such locational factors was provided by a group of black entrepreneurs who identified 'high street' premises in areas of high West Indian/low Asian concentration in order to site a 'Caribbean' supermarket which will avoid competition with Asian traders.

3.2 West Indian Shopping Patterns

Many grocery retailers commented on the lack of West Indian support for their businesses. They claimed that consumers were just as inclined to buy in Asian corner shops or 'white' market stalls as to support West Indian shopkeepers.

Evidence from a survey of ethnic minority shoppers shows that West Indians tend to shop at market stalls and corner shops in preference to supermarkets (Table 7). Location and convenience account for this, along with the price and availability of certain goods. These factors tend to work together in inhibiting the growth of 'ethnic loyalty'.

3.3 The Ethnic Market and Inner City Retailing

The conclusion drawn from the review of West Indian market access is that Caribbean products requiring no specialised merchandising expertise can be sold on a price competitive basis by vendors from any ethnic group.

Because increasing numbers of inner-city residents are from ethnic minorities, retailers operating in these areas have had to come to terms with their tastes and preferences.

Several supermarket branches, for example, carry West Indian food sections, as a means of attracting custom. As West Indians increase their use of these supermarkets their preference for products such as mangoes could eventually be satisfied under the regular 'exotic fruits' category, which would not necessarily include products sourced in the Caribbean.

To a lesser extent a similar trend is discernible in other sectors. For instance, John Lewis already allows floor space to minority designers and W.H. Smiths has featured the Caribbean in its promotions. This may be important in future years because, although the youth market will decline in size, minorities will form a greater part of that market.

It is also noticeable that Asian owned businesses are making in-roads into the independent distribution system not only at the retail, but also at the wholesale level. Trade estimates of Asian representation at Spitalfields, for example, range from twenty to thirty percent. There is also mounting evidence of Asian involvement in importing[4] and the study uncovered examples of Asians importing from the Caribbean (sometimes in conjunction with West Indian partners).

The trade in produce for the Asian population has been in existence for only about 20 years. The trade channels ...are almost totally distinct from the channels for produce for the bulk of the population...Most, if not all, import/wholesale firms in this trade are owned and managed by Asians.[5]

Given this level of Asian entrepreneurial activity in the independent grocery retail sector, it is not unreasonable to speak of an 'Asian distribution system ' operating within the inner-city areas. Trade publications such as Asian Business already attract advertisements from the growing number of mainstream companies who wish to tap into this system. There is thus a growing likelihood that Caribbean producers will increasingly come into contact with Asian entrepreneurs.

4. THE SUPPLY OF CARIBBEAN PRODUCTS

4.1 Direct Links with the Caribbean

Roughly half of the entrepreneurs interviewed had direct links with Caribbean producers. Such links ranged from exploratory contact through to occasional imports, which with the exception of cultural goods, provided only a small part (less than 10%) of their retail stock. Enterprises did not import or wholesale on a large scale but, in the case of travel services, they all had some direct link due to the peculiarities of the industry.

A significant minority maintained links with friends and relatives abroad who occasionally provided supplies. However, the majority either did not have such links (particularly those born in the UK) or did not consider them useful for business purposes. The main strategy for identifying Caribbean partners was to make enquires at the relevant High Commission and follow this up with a business trip to the Caribbean.

Entrepreneurs consistently reported difficulties with obtaining information from the High Commissions (with exceptions) on: markets, prices, product availability and producers (Table 15). As a consequence a trip to the Caribbean was seen as the only way to gather such information.

To some extent the High Commissions acknowledged this problem, which resulted from: limited resources, and/or unavailability of information from the Caribbean. There was a feeling that a lot more could be done if the resources were available.

Business trips to the Caribbean were no guarantee of finding reliable suppliers and only a few well-established linkages have arisen from this process. The following difficulties were reported, particularly by younger, British-born, entrepreneurs, who tend to feel that black British entrepreneurs are not taken seriously enough:

a) Trade promotion agencies are often "too bureaucratic" but provide little detailed information. Although general promotional literature and directories are available: details of producers, catalogues and price lists are seldom provided. Information on trade documentation or regulations is not easy to come by and conflicting advice is often given. Sources of trade & development finance are also hard to access. The problems are exacerbated by the existence of a multitude of agencies with overlapping functions, none of which provides a 'one-stop' service.

b) Some Caribbean small producers are "too laid-back" and prefer domestic sales to exports. They do not want the hassles and risks of transport and communication and would rather sell FOB (with the exception producers who seeking foreign exchange). This means that the British based entrepreneurs have to consider setting up their own Caribbean operation.

c) Product prices are high compared with the retail price of similar goods in the UK and the quality and appearance not up to (mainstream) market standards. Availability of certain goods (eg ackee) is also a problem.

d) Those firms that do export, tend to consider the UK market less important than the US. They are therefore only willing to supply the UK when it suits them.

Reports by international and regional bodies such as UNIDO6 and CARICOM7 confirm that non-traditional goods (processed foods, furniture garments, crafts) are produced by a host of small firms who tend to suffer from high unit labour costs and lack of international marketing experience.

Problems with packaging, pricing and delivery result from the fragmented nature of non-traditional production and firms prefer to take orders as they come, or to export on a regional basis. Those firms wishing to expand will seek partners who have significant access to ethnic or mainstream markets abroad and it is the lack of such access that probably prevents black British entrepreneurs from developing larger scale joint projects with Caribbean.

4.3 Links with Local Suppliers

West Indian enterprises obtain very few of their supplies directly from the Caribbean. They obtain them largely through established wholesale and distribution intermediaries. For example: restaurant owners shop at street markets such as Spitalfields, retailers obtain supplies through cash & carrys or deliveries, and travel businesses are serviced by larger companies.

Travel and culture businesses in the regions obtain supplies mainly from London, although some craft items and clothing were manufactured locally. The food sector is based more on local sources and, in the case of Bristol, Birmingham was also an important supply centre.

Retailers, particularly in the food industry, often complained of unfavourable servicing at the hands of suppliers. Credit was rarely available and product quality low. Non West Indians were generally seen as getting better treatment and West Indian businesses perceived as being "at the bottom of the distribution chain". Exceptions were found in the travel industry where British Airways provides training and support for a group of West Indian travel agents.

None of the entrepreneurs were able to identify major distribution operations owned by fellow West Indians, which confirms previous observations (Ward, 1984) that West Indian wholesale establishments are virtually non-existent. A West Indian freight forwarder who had once been involved in the importation and distribution of fresh produce from Jamaica claimed that the willingness of Caribbean firms to deal more favourably with non West Indian competitors was a major factor in his own decision to quit the business.

5. THE ROLE OF THE MIDDLEMAN

The 'middleman' plays a key role as an intermediary linking Caribbean producers with inner-city retail outlets. Few, if any, major importers and wholesalers are West Indian. Ethnic minority wholesalers (Jewish, Asian, Cypriot) are, however, quite common in the independent sector and some are involved in ethnic trade with the Caribbean.

5.1 Servicing Ethnic Retailers

Importer/wholesalers have the opportunity to service the networks of regional cash and carries, small clothing chains, specialty food stores, market stalls and other independent outlets handling ethnic products. Importers interviewed during the study fell into three main categories:

a) Subsidiaries of major companies who do some ethnic market business. For example, a leading rum company supplying the ethnic market, sponsors West Indian sporting events, and the international foods subsidiary of a well-known multinational imports on behalf of ethnic food wholesalers. The parent companies of such generally have long standing links with the Caribbean and treat ethnic trade as an extension of their regular mainstream business.

b) Established independent firms in the food trade such as the family businesses associated with the major fruit and vegetable markets.

For example, a Jewish owned family businesses established before the War is the leading importer and wholesaler of Caribbean processed foods. In the case of cultural products, an Asian owned company, with family links in the USA, has become a major supplier of Caribbean style novelty and gift items in both London and New York.

Independent importers who had dealings with the Caribbean operated very much on the basis of personal contact with producers. This usually involved regular trips to the Caribbean during which products were purchased on the spot and shipped by the importer. Some developed longer term relationships with suppliers and maintained contact through fax or telephone. The fragmentation of production and the lack of market experience of small firms gave importers considerable buying power, if they could demonstrate, their access to UK distribution networks. The gains from such bargaining leverage outweighed the costs of establishing initial contact.

c) One-person businesses acting as brokers and agents: usually established on the basis of previous contacts within the trade.

For example, a commission agent for Caribbean swimwear was formerly a buyer for Marks and Spencers and another (West Indian) imported on the basis of trade contacts built with clothing boutiques. These agents are generally exploiting opportunities in the crossover or 'exotic' markets. A variant on this theme consisted of persons who have lived in the Caribbean as expatriates and who used personal contacts to set up business in the UK. An accountant, for instance, was able to set up business in Spitalfields and a former housewife used her husbands contacts with a Dutch firm to import knitwear from Jamaica.

Importers who wish to enter the mainstream with 'exotic' products tend to produce their own brands and source in the cheapest locations (Table 11), directing small firm supplies to the ethnic market. Product adaptation is usually required for mass market entry and Caribbean firms seeking high volumes sales have recognised this. For example a Caribbean food company totally re-designed its packaging and labelling to sell to supermarkets and a garment manufacturer entered a joint venture arrangement to secure access to new designs and markets.

West Indians who wish to act as agents for these firms, are avoided because they "have no track record or contacts" in the mainstream. For ethnic market entry they are not needed.

West Indian businesses, face established competition in sourcing and marketing Caribbean goods. The role of the middleman wholesalers in using access to the inner city distribution system as a bargaining tool for procurement suggests that higher level involvement in this distribution system is the key to increased West Indian participation in the benefits of international trade.

Given the lack of resources facing most West Indian businesses it is unlikely that many could move into high volume/low margin trade, solely on the basis of servicing West Indian retailers. However, it is possible that by gathering comparative information on sources and suppliers and by developing a better understanding of current distribution structures, West Indians could collectively exercise greater bargaining power.

6. CONCLUSION

6.1 Ethnic Market Threats and Opportunities

Although some importers believe the market to be stable, the following indicators suggest that the ethnic market and/or the demand for Caribbean goods may decline in the long term.

a) The changing age structure of the population, the decline in immigration and the potential for increased acculturation.

b) Increased chain store efforts to attract minority custom to mainstream tastes.

c) A growing trend towards sourcing in regions other than the Caribbean.

Threats to ethnic market survival, however, must be balanced against opportunities for meeting changing ethnic demand. For example, an ageing population wishing to return 'back home' may open up opportunities for travel, finance and property businesses and chain store or institutional markets may increase their demand for modified ethnic products. The cross-over potential of exotic products in the areas of food, clothing, music or crafts should also not be underestimated, nor should growth opportunities for such up-market products as cut flowers, high quality preserves, furniture reproductions, alternative holidays or exotic liqueurs.

6.2 Strategic Options for West Indian Enterprises

Many West Indian entrepreneurs survive by retailing or manufacturing new, unique or hard-to-come-by products, or by using their knowledge of consumer tastes and behaviour to provide special services to fellow West Indians. Examples are found in the areas of canned or bottled foods, particular styles of clothing, beauty or health products and specialised travel services. Others are able to adapt such products or services for wider markets.

The competitive strengths of West Indian businesses are based on the flexible use of cultural knowledge to differentiate in both ethnic and mainstream markets. In the case of the ethnic market this allows them to survive against competitors who market price competitive, 'standard', Caribbean products.

The weakness of many of these enterprises rests mainly on their lack of resources relative to non West Indian competitors and/or from an absence of trade contacts with mainstream buyers. This means that they are rarely able to extend into high volume, low margin trade or even into 'crossover'. In particular they suffer from:

a) Lack of full integration into existing distribution and marketing systems and a consequent lack of buying power and supplier support. They are 'at the bottom of the distribution chain'.

b) Lack of trade and competitor information in relation to both to the UK and the Caribbean and a lack of international business know-how resulting from limited trade experience.

c) Lack of adequate capital, particularly for business expansion and product promotion (the mainstream oriented West Indian businesses tend to get their first big orders through media coverage).

To some extent these factors reinforce each other. The lack of full participation in the distribution system results in a lack of trade information. This restricts making a convincing presentation to potential lenders. The net result is that the majority (but not all) of these businesses operate on a more or less informal sector basis, relying on local West Indian support for survival. Although this creates opportunities for self-employment they are clearly limited by the extent to which the local market can absorb their services and their ability to compete successfully with non West Indian competitors.

6.3 Role of Support Institutions

a) High Commissions

These were mentioned most frequently as the single most important source of Caribbean related trade information. However, with one or two exceptions they were not considered as helpful as they might be. This was thought to be associated both with understaffing and the lack of information coming out of the Caribbean itself. In addition, some entrepreneurs felt that they concentrated on big business only.

b) Enterprise and Training Agencies

Although the majority of enterprise and training agencies visited during the study claimed to be actively involved with West Indian business, few entrepreneurs mentioned them as a source of assistance with reference to Caribbean trade. Partly this was due to acknowledged agency difficulties in assessing the viability of import/export operations (Eg imports of wood carvings or clothing appear to be common for start-up businesses). However,it is equally possible that businesses well enough established to think of international trade are the ones least likely to rely on the support offered.

c) Chambers of Commerce

A small number of entrepreneurs were members of the local Chamber of Commerce or associated West Indian business clubs. This provided them with useful information by means of seminars and discussions. Some had also participated in trade missions to the Caribbean. The UK Caribbean Chamber of Commerce, now defunct, was singled out by a number of respondents for the trade exhibitions it had organised.

6.4 The Way Forward

Three key areas must be addressed if West Indians are to benefit from increased trade opportunities:

a) The supply of Caribbean products must be up-graded with respect to quality, price and delivery. At the same time information flows on sourcing and investment opportunities must be enhanced.

b) Expansion of demand requires the promotion of Caribbean style goods to both ethnic and mainstream consumers.

c) West Indian businesses must seek improved access to existing distribution channels, particularly with respect to trade information, promotions, quality supplies and credit. Access to expansion capital must also be addressed.

The first falls largely outside the ambit of the present study. However, the involvement of UK importers, in providing a market led approach would not be out of place. CARICOM may therefore wish to consider the formation of an Association of Importers of Caricom Products who could assist with the development of promotions, trade missions and buyer/seller meets.

7. RECOMMENDATIONS

7.1 Research and Information

a) The Centre for Research in Ethnic Relations should monitor ethnic minority purchasing patterns and trends as a service to enterprise/lending agencies and to firms operating in the ethnic market. Supermarkets and other major chain stores should be approached for sponsorship, particularly if research on 'crossover' consumption were also included.

7.2 Training

Enterprise and training agencies should supporting the development of sector specific programmes for West Indian enterprises to allow better access to existing trade channels. For example:

i) A training programme for restaurant owners, caterers and teachers (community colleges now run Caribbean cooking classes) aimed at creating a distinct image for Caribbean food and assisting with the procurement of relevant supplies and promotional materials.

ii) Trade seminars for West Indian food retailers in which buyers, importers, distributors and manufacturers would provide up-dates on current market trends and opportunities.

iii) Workshops for West Indian travel agents to cover new destinations, activities and services for West Indian and mainstream clients.

iv) Training in crafts procurement and merchandising for community organisations, 'black theatre' groups and craft producer associations.

Training agencies should also explore the options for providing West Indian agents/brokers with training placements in the purchasing departments of large mainstream retailers.

7.3 Promotion

West Indian fashion shows, street markets, concerts carnivals, and sports events provide an ideal vehicle for the promotion of Caribbean foods, clothing and crafts to mainstream and second generation consumers. These are also important in generating mainstream media coverage for West Indian businesses.

Government departments concerned with ethnic business development should consider working with West-Indian owned newspapers, public relations and market research companies to maximize the business potential of such events with reference to both ethnic and mainstream audiences.

The outcome of such an activity might include:

i) Promotional materials; Eg. posters or brochures on Caribbean foods.
ii) Articles or videos on West Indian crafts, food or travel for circulation in ethnic or mainstream media.
iii) Case studies in promoting the image of particular events (Eg. Notting Hill Carnival) or sites (Eg.Brixton Market.
iv) Training in the 'alternative' marketing techniques of Tradecraft, Oxfam etc., and in attracting sponsorship.
v) Marketing consultancies to individual businesses or for specific events.

7.4 Support

a) The High Commissions should collectively develop a data base of buyers of Caribbean products, both national and regional. This information, along with reports on market and product trends, could be published in the form of a directory of Caribbean supply. Information on relevant trade missions/shows could also be made available in order to assist West Indians to meet directly with Caribbean firms.

There is also a need to ensure that current information relating to sourcing/investment opportunities, profiles of producers and export/import procedures is easily accessible to nationals. This could best be achieved by establishing regular communication with business clubs, enterprise agencies and voluntary associations in the form of a 'Caribbean Opportunities' newsletter.

b) The banking sector could provide support in international trade/investment by assigning staff with a knowledge of the Caribbean business environment to West Indian areas. Staff could be seconded (perhaps on training placements) from Caribbean counterpart banks wishing to assess the potential of West Indian investors. This would ensure both a sympathetic hearing for West Indian entrepreneurs and a realistic appraisals of Caribbean directed business plans.

Caribbean sources of development finance and technical assistance could also be more easily identified.

c) International agencies such as ODA, Tradecraft and Oxfam should be encouraged to support West Indian involvement in their Caribbean-based small business programmes.

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ANNEX 1 SELECTED TABLES

TABLE 1 Ethnic Minority Population in Great Britain (1983 - 85 average)

Ethnic Group	Number (000s)	% born in UK
Afro-Caribbean	530	50
Indian	760	35
Pakistani	380	40
African	100	35
Chinese	110	20
Arab	60	10
Mixed origin	210	75
Others	100	25
Total	2,350	4

Source: Population Trends-46, 1986

TABLE 2 Population resident in metropolitan counties by ethnic group. (000s)

Ethnic Group	Inner London	Outer London	Greater Manchester	West Midlands	West Yorks	UK
White	1908	3735	2386	2220	1894	51222
All ethnic minorities	498	416	143	372	118	2376
W. Indian	210	93	25	82	17	547

Source: Labour Force Survey, Spring 1985

TABLE 3 Population Breakdown by Age and Sex

Ethnic origin	% in each age group 0-15	16-29	30-44	45-59	60+	No. of males per female
White	20	22	20	17	21	0.95
West Indian	26	33	15	19	7	0.90
Indian	32	26	24	13	5	1.00
Pakistani	43	25	18	12	2	1.10
Bangladeshi	51	18	14	16	1	1.30
Chinese	27	25	30	13	5	1.10
African	28	28	36	6	2	1.30
Arab	17	48	21	10	3	2.70

Source: LFS, 1985

TABLE 4 Trinidad & Tobago Non Traditional Food Exports to UK

Aquarium Fish	Manioc	Ginger
Snapper/Shark	Sweet Potatoes	Rice
Frozen Fish	Bananas	Sugar products
Shrimps	Plantains	Sorrel
Cut Flowers	Avocados	Cocoa
Peas & Beans	Mangoes	Biscuits
Okra	Water Melon	Juices
Pumpkins	Other Fruit	Aerated Beverages
Other Vegetable	Pepper	Beer
Dasheen/Edoes	Nutmeg	Rum

Source: Trinidad High Commission

TABLE 5 Caribbean Tourism from Europe/UK 1986-87.

Visitors (000's)

	1986		1987	
	Europe	o/w:UK	Europe	o/w:UK
Bahamas	46.5	19.0	67.9	27.6
Barbados	66.3	47.6	102.2	79.2
Belize	17.2	8.5	17.3	9.0
Dominica	5.1	2.3	6.7	2.8
Grenada	6.8	3.7	9.6	5.2
Jamaica	42.2	30.0	58.1	35.2
Kitts/Nevis	4.4	3.5	5.1	4.2
St.Lucia	34.6	21.1	42.3	25.8
Trinidad/Tobago	22.1	16.0	29.5	20.2
St.Vincent	5.9	3.7	10.6	5.6

Source: Adapted from Yearbook of Tourism Statistics,1988

TABLE 6 Ethnic Foods Market (value), 1986

	œ m.	% Market
Indian	70	18
Chinese	52	13
Mexican	10	3
Italian	258	63
Greek	12	3
Other (inc.Caribbean)	1	-
Total	403	100

Source: LFRA estimates

TABLE 7 Type of Food - Shop Used by West Indians

Type of Food	Where Bought	Type
Spices	Supermarket	'English'
Rice	Supermarket	'English'*
Goat Meat	Corner Shop	Ethnic
Other Meat	Market Stall	'English'
Tinned Eng.Food	Supermarket	'English'
Eng.Fruit & Veg.	Market Stall	'English'*
WI.Fruit & Veg.	Market Stall	Ethnic
Salt Fish	Market Stall	Ethnic
Bread	Supermarket	'English'
Dairy Products	Supermarket	'English'
Flour	Supermarket	'English'

* also ethnic corner shop/stall

Adapted From: Minorities in the Marketplace NCC 1982

TABLE 8 No.Food Outlets by Size of Retail Organisation (1976-84

	1976	1978	1980	1982	1984	% change
Single Outlet	94815	80484	76438	73890	69471	-26.7
Small Multiple	23484	18988	24319	22253	19985	-14.9
Large Multiple	24249	20723	22094	18632	17387	-28.3
Total	142548	120195	122852	114775	106843	-25.0

Source: Food Retailing 1987, IGD

TABLE 9 Barbados: Domestic Exports to EEC (B$.M)

	1987	1988
Sugar	50.2	56.4
Garments	2.0	6.0
Furniture		0.0
Rum	1.7	3.2
Electrical Components	1.4	2.1

Source: BEDC

TABLE 10 Jamaica: Non Traditional Exports to UK 1984-1986 (US$ 000's)

	1984	1985	1986
Food	12622	14027	14139
Beverages	3042	4087	3570
Crude Materials	48	72	81
Chemicals	254	136	197
Manufctrd Goods	1	10	7
Machnry/Trnsprt	0	0	0.3
Misc. Man	65	105	196

Source: JNEC

TABLE 11 1986 Developing Country Share (%) of European Markets (selected products)

	Mangoes	Melons	Capsicums
Jamaica	0.6	1.2	0.2
Kenya		2.9	
Brazil		12.1	2.6
Chile		1.4	
Senegal		0.2	0.6
Turkey		1.8	2.2
Mali		8.8	
Mexico			9.2
Burkina Faso			6.5
Cote d'Ivoire			3.5
Venezuela			23.9

Source: ITC UNCTAD/GATT (1987)

TABLE 12 Economic Status of People in Employment by ethnic origin: average, 1984-86

Economically	White	W.Indian	Indian	Pak/B.desh
Active (ooo,s)	21.9	0.23	0.29	0.09
O/W (%)				
Employees	87	91	80	76
Self Employed	11	5	19	23
Gvrnmnt schemes	2	4	1	1

Source: Employment Gazette, March 1988

TABLE 13 Self Employment in Specified Socio Economic Group (% of all household heads)

	Employers in: Large Firm	Small Firm	Self Emplyd Professionl	Own Accnt
White	0.3	3.8	1.0	4.9
West Ind	-	1.0	-	2.6
Indian	-	4.6	1.6	5.5
Pakistan	-	2.4	0.4	5.1
Other	0.8	5.7	0.5	6.0

Source: Reeves/Ward: Ethnic Communities in Business (1984)

TABLE 14 Ethnic Enterprise and Economic Sector: GHS 1981-84

	'English'	'Euro.'	Cypriot	Asian	W.Indian
	%	%	%	%	%
Ag/Frstry	3.2	1.2	-	-	-
Engineer/ Manufctr	7.9	7.5	11.4	10.9	21.4
Construction	27.2	15.0	2.9	1.8	35.7
Distrib/ Catering	31.4	37.5	65.7	78.2	14.3
Transport/ Cmmctns	6.2	-	2.9	3.6	7.1
Finance	8.0	12.5	-	3.6	14.3
Other Services	16.1	26.2	17.1	1.8	7.1

Source: Curran/Burrows: Ethnicity & Enterprise 1988

TABLE 15 Trade Constraints Most Frequently Mentioned As Problems (No. of companies mentioning)

	Food	Travel	Culture
Lack of Information	11	4	1
Lack of 'Know-How'	7		3
Procedures/regulations	4		5
Markets/Competition	8	4	
Product Quality/Price	10	4	7
Supplier Contact	8		
Supplier Reliability	3	1	5
Finance	5	4	
Trade Payments	1	1	
No.of businesses with well established trade links	14	9	8

TABLE 16 West Indian & Asian Retail Outlets In Selected Areas (%)

	Lambeth		Brent		Hackney		Manchster	
	WI	Asn	WI	Asn	WI	Asn	WI	Asn
Hair & Beauty	13	-	23	-	12	2	27	-
Clothing	9	2	8	10	42	56	18	17
Records	4	-	10	-	15	-	5	-
Bread	11	-	-	-	-	-	9	-
Grocer	6	-	2	3	12	-	5	6
Car Hire	7	2	6	2	-	-	-	-
Travel	4	-	8	-	-	-	5	6
Fncy Gds	-	-	-	3	4	-	9	-
Dry Clean	7	-	2	2	-	-	-	-

Source: Cross (Ed.): Lost Illusions 1988