

BLACK OWNED BUSINESSES:

# THE UK'S UNTAPPED BUSINESS POTENTIAL



# Collaboration is key

the good side



Clear Channel



## 13 BME Business Owners & Experts



**Daniel Nkwocha**  
The Good Side



**Maria St Louis**  
Channel 4



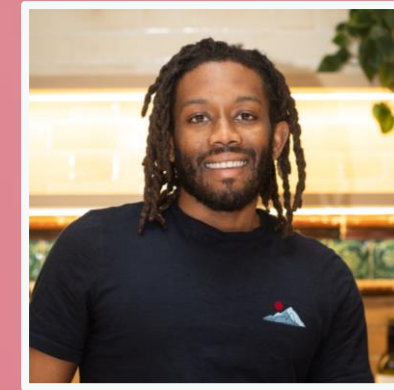
**Katya-Des-Etages**  
Channel 4



**Caroline Forbes**  
Clear Channel



**Lydia Amoah**  
Backlight



**Akil Benjamin**  
Comuzi, Does



**Cyril Lutterodt**  
Black Seed Ventures



**Darren Tenkorang**  
Trim-It



**Eric Collins**  
Impact X Capital



**Liz Cheesbrough**  
The Good Side



**Amy Jenkins**  
Channel 4



**Sophia Field**  
Channel 4



**Eva Dvorakova**  
Clear Channel



**Tim Noblett**  
Backlight



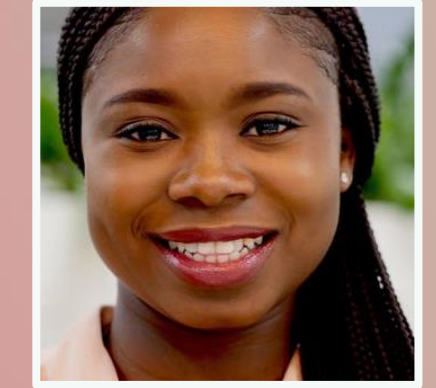
**Exose Grant**  
Exose at Home



**Kanya King CBE**  
MOBO



**Khalia Ismain**  
Jamii



**Kike Oniwinde**  
BYP Network



**Lizzy Phillips**  
Channel 4



**Barry Jones**  
Channel 4



**Lina Barker**  
Aaron Wallace



**Nathaniel Wade**  
Wakuda



**Serlina Boyd**  
Cocoa Magazine

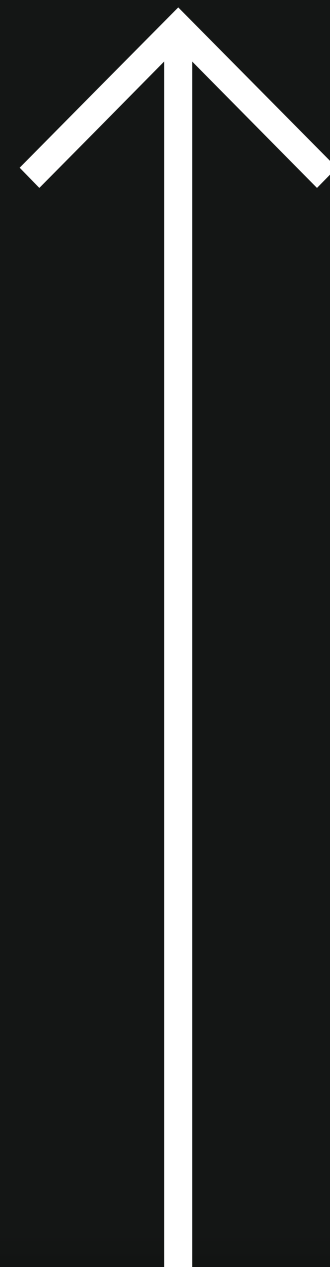


**Wilfred Emmanuel-Jones**  
The Black Farmer



**Zeze Oriakhi-Sao**  
Malée

# We focused on four key questions



1

What is the entrepreneurial journey for Black and Multi-Ethnic (BME) owned businesses, and how does this differ from White business owners?

2

What is the relationship between BME owned businesses and the public?

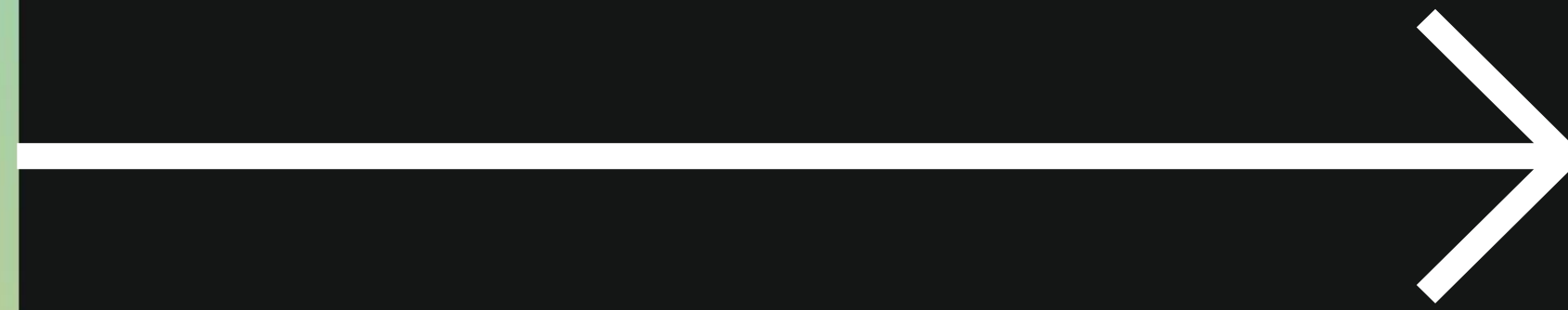
3

How do BME owned businesses approach media and marketing?

4

How do we create impact for BME entrepreneurs + support them to succeed?

We used  
an  
iterative,  
mixed-  
method,  
expert led  
approach



## discover

### Desk research

Exploration of UK public  
perception + the business  
state of play

## define

### Exploratory interviews

Nine entrepreneurs helped  
us navigate the landscape

## explore

### Entrepreneur survey

242 Black and Multi-  
Ethnic, and 275 White  
entrepreneurs

### Public survey

1545 Nat Rep, including a  
boost of 550 Black and  
Multi-Ethnic people

### Co-creation expert salon

Eight entrepreneurs  
explored insights to co-  
design actionable,  
impactful ideas

# Three things you should take away

## The journey

The BME entrepreneurial **journey starts** early & they tend to face more challenges

## The Challenges

Developing **marketing** strategies  
Lack of **investment**  
Access to **networks & knowledge**

## The potential

There are massive **markets to tap into**  
We can support Black owned businesses to **overcome challenges & maximise market opportunities to create lasting economic impact**

# THE JOURNEY



**BME  
entrepreneurialism  
often starts early  
and feels  
instinctive for many  
business owners**

**62%**

of BME entrepreneurs **started their business under 30**, and 1 in 8 as teenagers - double the level of White entrepreneurs



//

In my experience personally, entrepreneurship was **innate**; I just didn't recognise it to be.

- Lina Barker, Aaron Wallace

**46%**

of BME entrepreneurs have **always felt they could run a successful business**, compared to 29% of White entrepreneurs

85%

of the BME population say they **find the idea of running their own business appealing**, compared to 64% of the White population

64%

of the BME population say they **find the idea of running their own business achievable**, compared to 48% of the White population

53%

of the BME population say they have **multiple forms of income** and 46% agree **'their work is their main source of income, but they try to make money in lots of different ways'**

**The BME population see themselves as entrepreneurial and believe in their potential to succeed in business**



# BME entrepreneurs and the public want to drive change

## Be the boss

# 71%

of the UK BME population agree they '**have always wanted to be their own boss**'

compared to 54% of the White population

## Feed the need

"Non-Black owned businesses I speak to tend to be a case of 'I saw a gap in the market, so I'm going for it'. Whereas **Black owned businesses tend to be more a case of 'I saw a real problem', 'I had a real problem' or 'there's a real social need for this'**."

There's **real passion** behind the thing that they're building."

- Khalia Ismain, Jamii

## Pave the way

# 20%

of BME entrepreneurs start a business **to do something positive for their community**

compared to 7% of White business owners

Only

**44%**

**of the BME population  
agree they have 'the same  
opportunities as someone  
of a different skin colour**



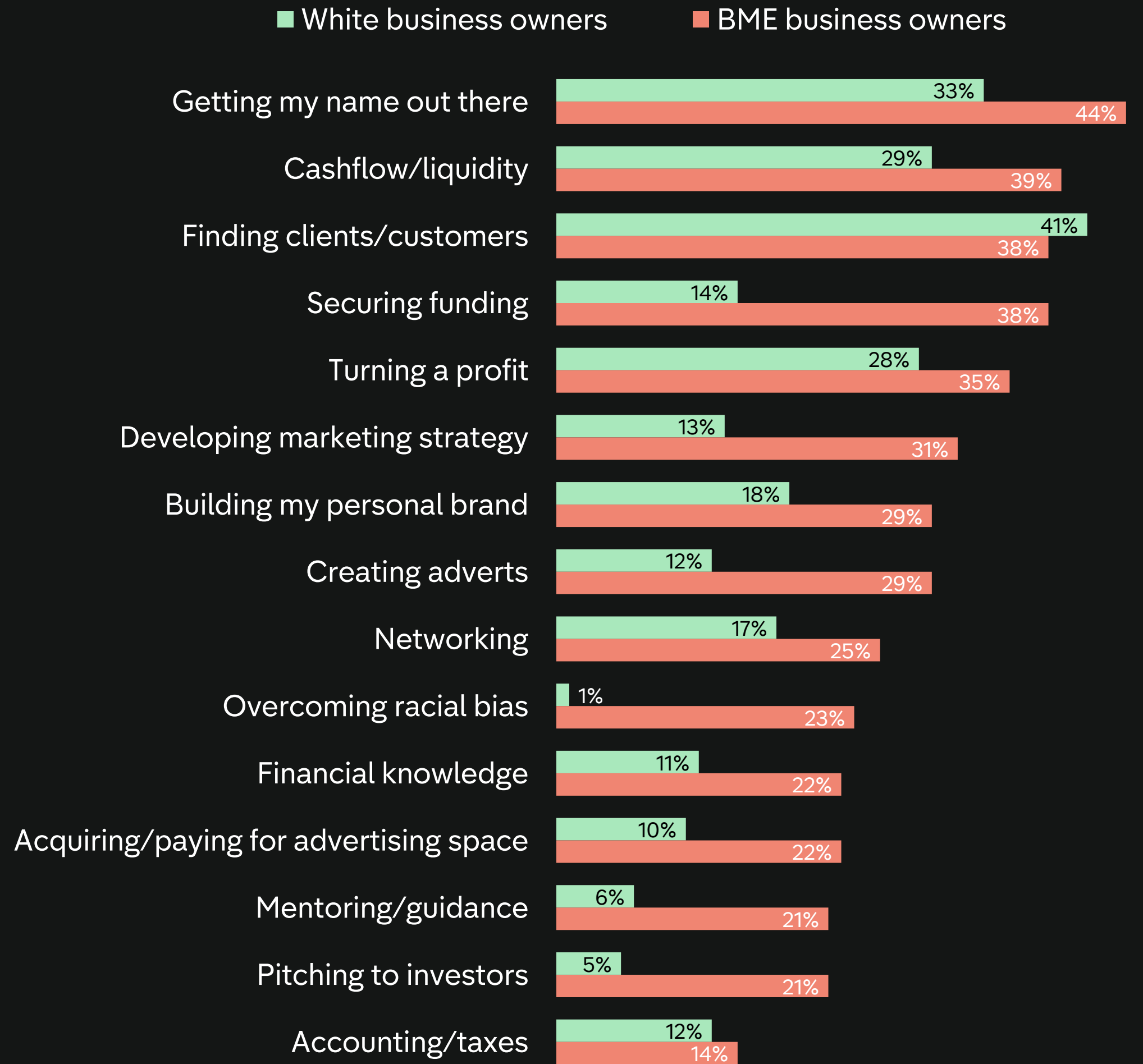
// People see someone like me, as a Black woman, and think, 'okay, there's no Black female founded company, that's a unicorn. What makes her the person?' You have to be the ground breaker."

**Kike Oniwinde, BYP Network**

# BME entrepreneurs face significantly more business challenges than White entrepreneurs do

- Key challenge areas relate to Marketing + advertising
- Investment + finance
- Knowledge + networks

Business Owners Survey: Which of the following business challenges do you currently face? N=242 BME and N=275 White business owners (over 10% BME only)

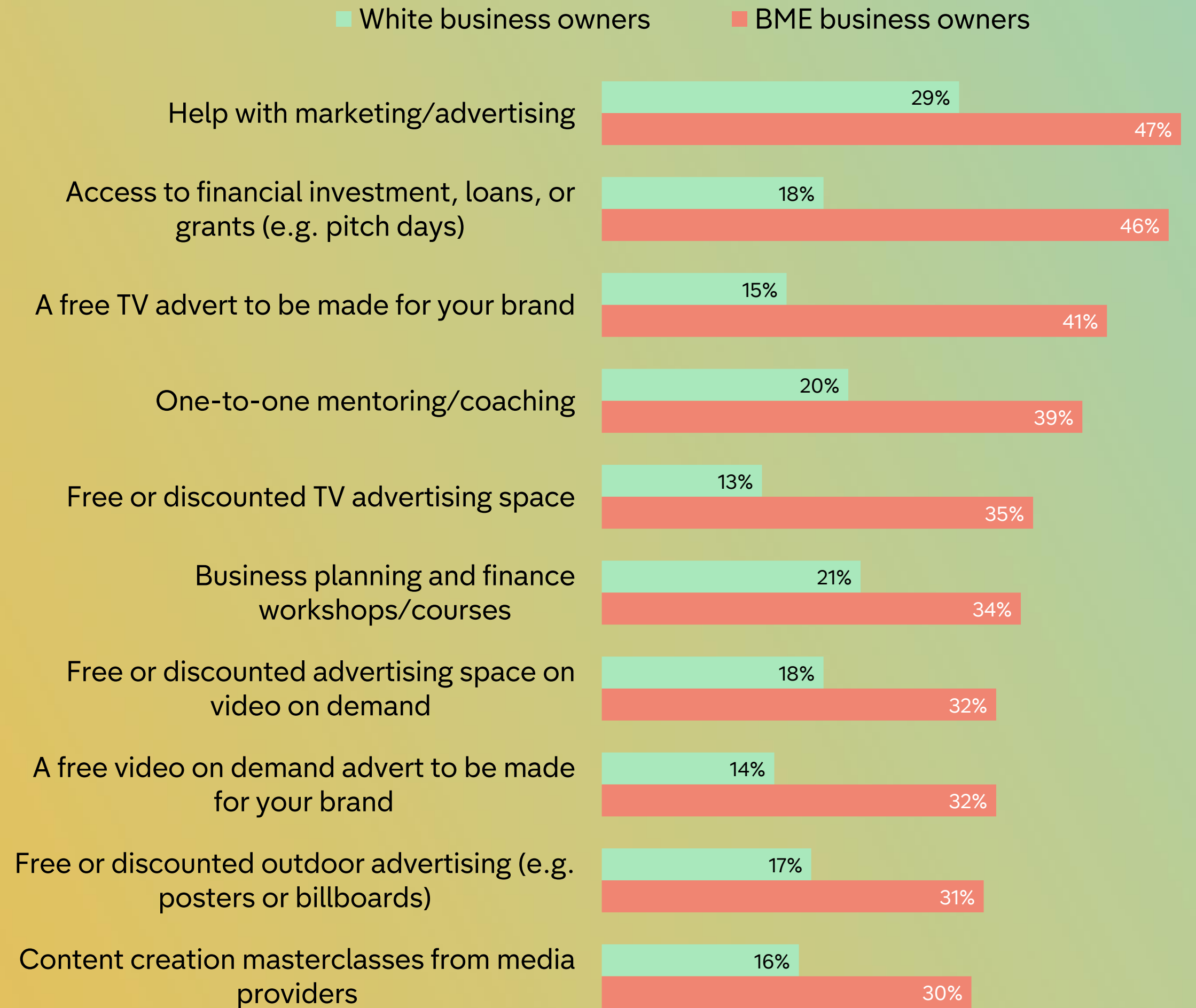


# BME entrepreneurs also find more initiatives appealing than White entrepreneurs - in the same three areas

// The Black entrepreneurs I've spoken to tend to be less informed than white owners and they tend to have less of a plan which I find a real shame. Even around things like talking about how to raise investment

Khalia Ismain, Jamii

Business Owners Survey: Which of the following business initiatives do you find appealing? N=242 BME and N=275 White business owners (10 most selected by BME only)



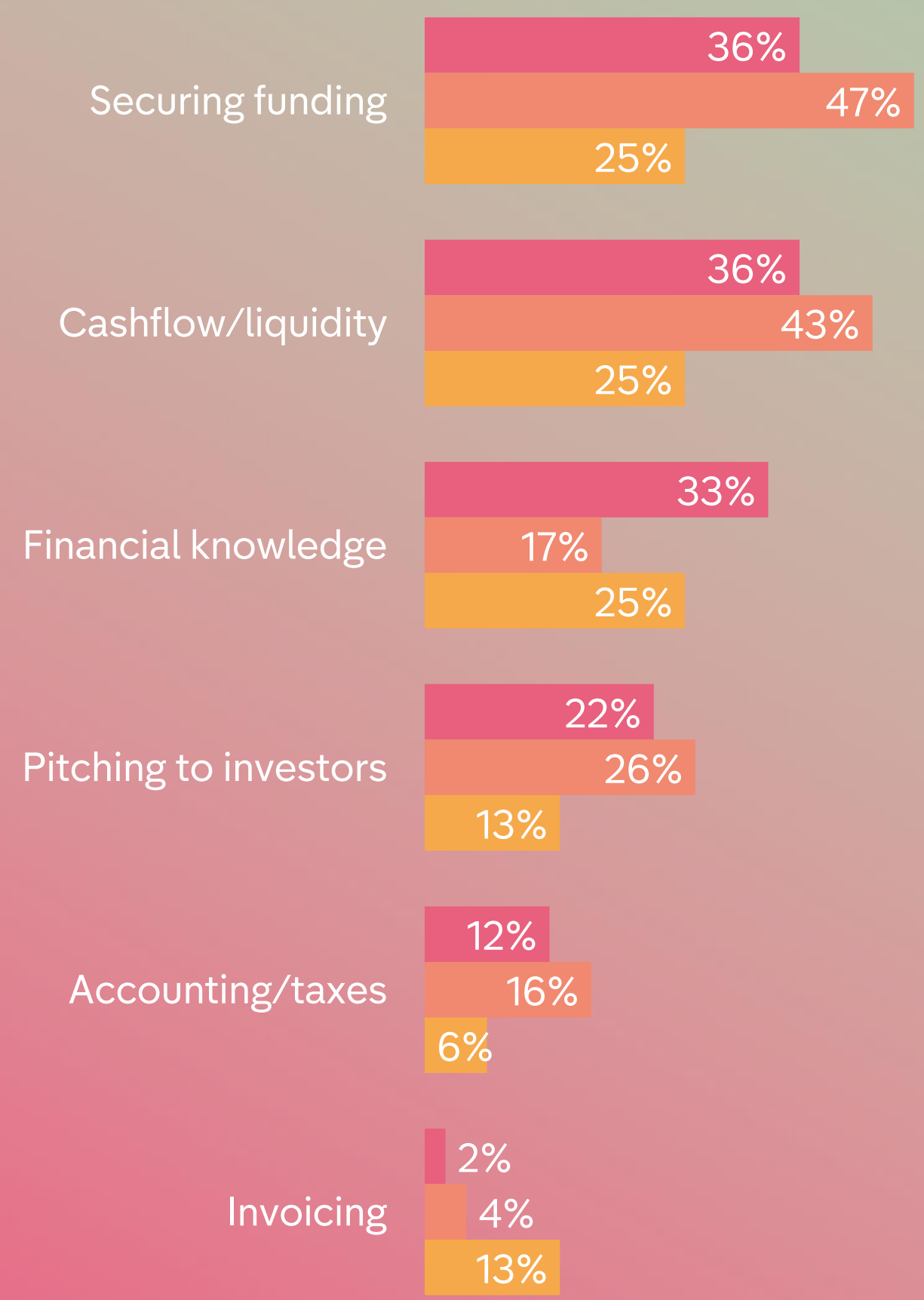
# THE NEEDS



# BME businesses are underfunded

# Finance barriers persist and evolve as businesses grow

- Solo venture/start-up
- Small business
- Large enterprise/Collective or group venture



BME business owners are

# 2X

more likely to have **given up equity in return for investment** compared to White business owners

Business Owners Survey: Which of the following business challenges do you currently face? N=242 BME and N=275 White business owners, 20% BME vs 8% White business owners

**Start-up  
BOBs are  
expected  
to prove  
themselves  
more**

**Fight to  
prove  
relevance**

**53%**

agree they **'had to fight hard  
to get others to believe in  
their business'**

compared to 40% of White  
owners

**Prejudiced  
stereotypes**

**"There wasn't really much  
support there.** So I just had  
to push through despite the  
fact that they were saying  
they weren't sure if it was  
going to work. [The reasons]  
were **stereotypes like Black  
people don't spend money,  
or Black people won't  
support."**

- Khalia Ismain, Jamii

**Proven  
success  
demands**

**56%**

of BOBs only received  
funding once they had  
**already grown a successful  
business**

compared to 35% of White  
owners

# THE POTENTIAL





# The public want to buy from Black owned brands



“ It’s not Black people buying [my products]. Some of them do, but it’s mainstream Britain. Why are they buying into this brand? They’re buying into me and what I stand for as maverick, in your face and a bit different.

Wilfred Emmanuel-Jones, The Black Farmer

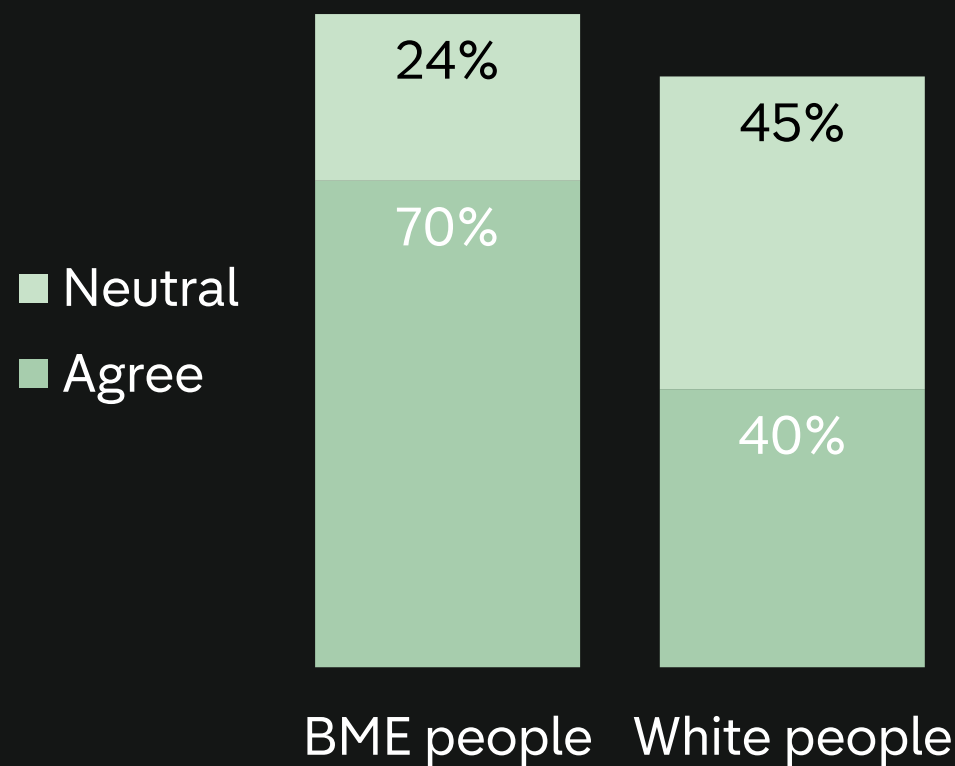


“ I was inspired [by these insights] and felt hopeful for the future. It’s apparent that consumers are being more intentional and observant; and recognise the power they have when they fully consider their purchasing decisions. Convenience often plays a part in this space

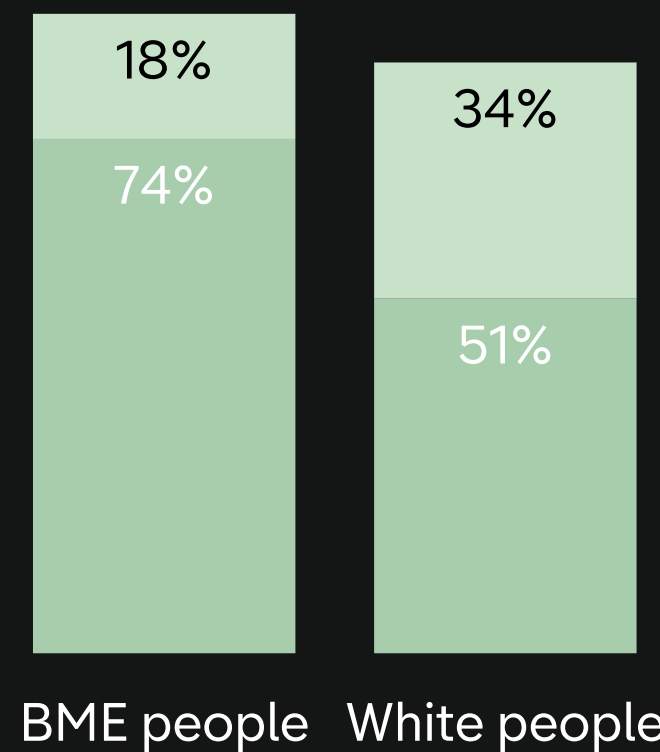
Akil Benjamin, Comuzi

# The BME population feel particularly positive about supporting Black owned businesses

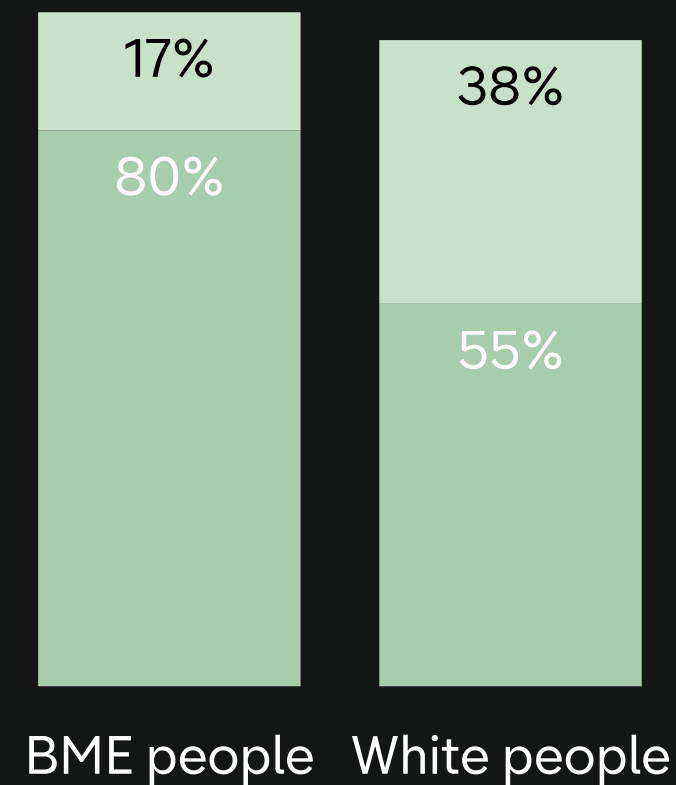
I believe it is important to buy from Black owned businesses



I think more should be done to support Black businesses



I would feel positive about a sudden increase in ads celebrating being Black owned



Public Survey: Overall, how important is it to you to buy from Black owned businesses? Neutral/no opinion; More should be done to support Black business owners specifically? Neither agree nor disagree, If you were to suddenly see an increase in adverts that celebrate being Black owned in their advertising, would you feel positively or negatively about this? Neutral/no opinion. All N=550 BME, N=870 White

# Expert ideas to celebrate demand and drive growth

## 36%

of BOBs agree they are 'unsure of what role being Black owned should play in their marketing' - only 32% disagree

Build on desire for ethical consumption and supporting small businesses

Use the popularity of Black culture and Black creators to inspire confidence

'Build your story' support to help BOBs craft their own stories will encourage inclusive messaging

Content creation and social media masterclasses could help younger, tech savvy BOBs capitalise on their resources

Place Black brands in priority ad slots, to elevate them to being household names

Commit long term and measure impact - one-offs will unlikely impact consumer perceptions

# THE MARKETING



# The power of adverts

## Challenges

- Getting my name out there
- Finding customers/clients
- Developing a marketing strategy
- Building my personal brand
- Creating adverts
- Networking

# 64%

Of BME entrepreneurs agree  
**'advertising is very important to grow my business'**

Compared to 40% of White entrepreneurs

BME Entrepreneurs are

# 2x

more likely to say that this belief is driven by

**Advertising's ability to build brand/business equity'**

Compared to White entrepreneurs

Marketing +  
advertising  
tops BME  
entrepreneurs'  
concerns and  
appealing  
initiatives

47%

Of BME entrepreneurs said they would find an initiative that **helps with marketing/advertising** appealing

Compared to 29% of white entrepreneurs

30%

Of BME entrepreneurs said they would find an initiative offers **content creation masterclasses** from media providers appealing

Compared to 16% of white entrepreneurs

# THE IMPACT





# Provide expert guidance, this is is vital for success

## Support is highly valued

69% agree 'getting help, support and guidance is one of the most important things you can prioritise as an owner' compared to 56% of White owners.

## Personal networks

"The advice I wished I received in the early days is the value of having many mentors, because mentors can provide extraordinary expertise at crucial stages of your career."

- Kanya King CBE,  
MOBO

## Offers proven impact

Access to advice has a greater net positive effect on BOBs productivity than White ones (+£12k vs +£9k).

\*Alone Together:  
entrepreneurship and diversity  
in the UK, British Business  
Bank & Oliver Wyman, 2020

# Share knowledge





# Routes to marketing

# Make your advertising platforms, opportunities and expertise accessible

### Tailored marketing advice

We should offer advice on the value of different advertising and promotional avenues for businesses in different sectors and at different stages of business growth.

### Education on the power of platforms

We should share expertise on how different platforms drive growth, highlighting the value of both long-term brand building and short term conversion through measurement.

### Access to advertising on platforms

We should develop strategies that support entry and sustainable investment on mass reaching platforms

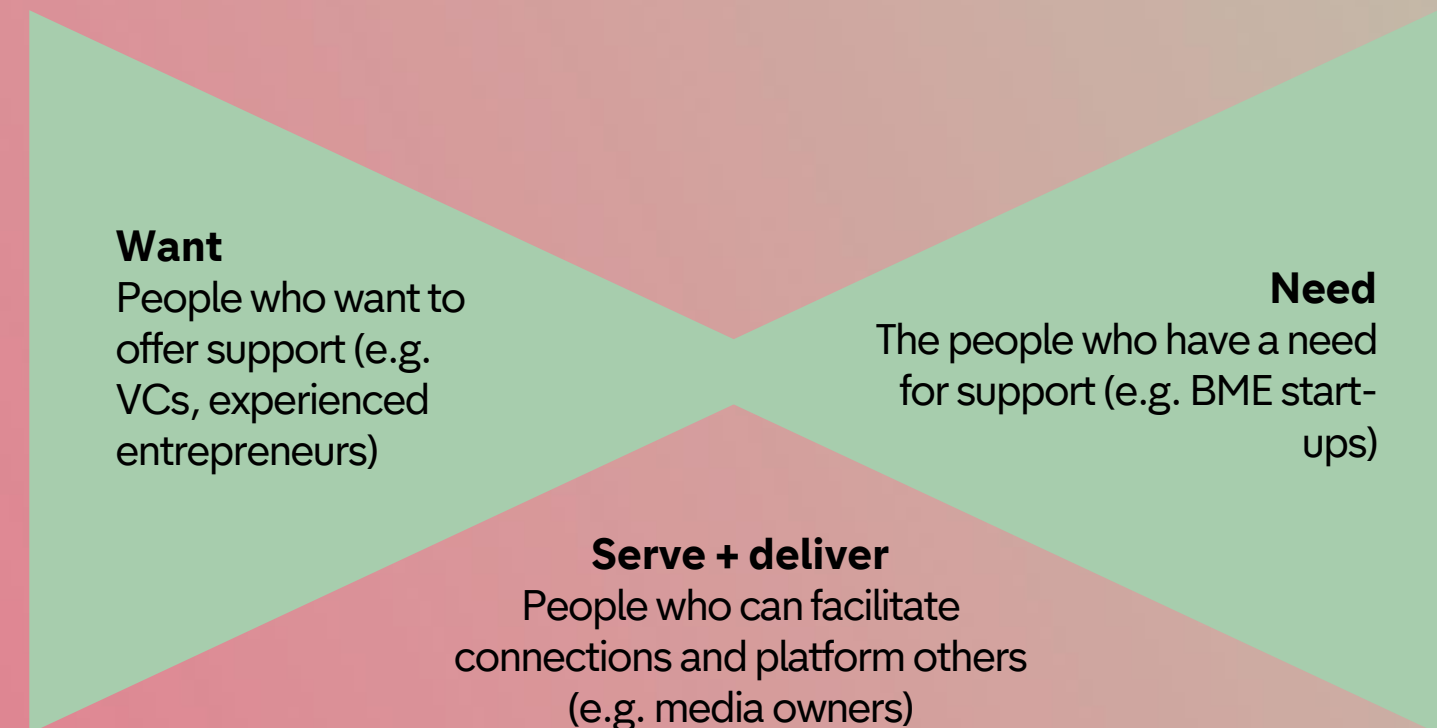


# Be a connector

## Open up access to relevant sector networks, and opportunities that lead to tangible investment with big brands

// Though these business owners often have networks to help support them with their business generally, most that we come across aren't connected with business owners/leaders that can provide them with support or insights to help them grow have the infrastructure in place to take advantage of the opportunities.

Nathaniel Wade, Wakuda





# Amplify existing initiatives that support Black owned businesses

Many of the experts we spoke to run their own schemes to support BOBs, and many more exist - we can support these initiatives to deliver impact by partnering and championing their work

// There's so many programs that are out there. And if we look at the cumulative impact of them, we do not see a plethora of Black businesses. We do not see a plethora of Black production companies that have come to the fore; or advertising companies, etc...

So the whole point is [media owners] have it all sitting there, so use it - use your convening power, use your broadcasting power, use your production power, and your budgets associated with that.

Eric Collins, Impact X Capital

# Invest in the ecosystem



# THANK YOU