BRAZILIAN-CANADIAN IMMIGRANT BUSINESSES CONFIGURATION IN THE GREATER TORONTO METROPOLITAN AREA, CANADA

Configuración de empresas de inmigrantes brasileños-canadienses en el área metropolitana de Toronto, Canadá

Michel Mott Machado, 1 Caroline Shenaz Hossein, 2 Roberto Pessoa de Queiroz Falcão, 3 & Eduardo Picanço Cruz 4

ABSTRACT

The purpose of the present article is to examine self-employment and a sample of micro-enterprises of Brazilian immigrants in Toronto, Canada, and to unveil their social networking mechanisms, the influence of their culture, and human capital. The methodology encompassed the application of 74 questionnaires to Brazilian-Canadian entrepreneurs and 42 semi-structured interviews, aiming at understanding their experiences and relationships. The contributions include stating economic insecurity, political instability, and violence as reasons for migration and showing that social capital is essential for starting and developing a business as entrepreneurs often were driven out of necessity due to barriers in the labor market. As an exploratory study, the article is limited to discussing descriptive aspects of the Brazilian community of entrepreneurs. However, its implications might encompass new studies that involve creating migration policies for newcomers, longitudinal studies, or comparisons with other ethnicities.

Keywords: 1. Immigrant entrepreneurship, 2. micro-enterprises, 3. self-employment, 4. Brazilians, 5. Toronto.

RESUMEN

El propósito del artículo es examinar el empleo por cuenta propia y una muestra de microempresas de inmigrantes brasileños en Toronto, Canadá, y revelar sus mecanismos de redes sociales, la influencia de la cultura y del capital humano. La metodología abarcó la aplicación de 74 cuestionarios a empresarios brasileño-canadienses y 42 entrevistas semiestructuradas, con el objetivo de comprender sus experiencias y relaciones vividas. Los resultados incluyen indicar como causas de la migración a la inseguridad económica, la inestabilidad política y la violencia, así como demostrar que el capital social es fundamental para el inicio y el desarrollo de los negocios, viéndose motivados a emprender sus propios negocios por necesidad, debido a barreras en el mercado laboral. Al ser un estudio exploratorio, el artículo se limita a discutir aspectos descriptivos de la comunidad brasileña de empresarios. Sin embargo, sus implicaciones podrían abarcar nuevos estudios que impliquen la formulación de políticas migratorias para recién llegados, estudios longitudinales o comparaciones con otras etnias.

Palabras clave: 1. emprendimiento de inmigrantes, 2. microempresas, 3. autoempleo, 4. brasileños, 5. Toronto.

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INTRODUCTION

The migration of Brazilians to North America is an ongoing phenomenon. The increase of evident political conflicts and economic crises fostered the will of more Brazilians to emigrate elsewhere for a better way of life. Migration occurs all over the world by people who seek new opportunities as posited by authors such as Trenz and Triandafyllidou (2017), Nazareno, Zhou, and You (2018), Cruz, Falcão, and Mancebo (2019), and Buettner and Muenz (2020). Economic reasons are among the most important push factors for international migration (Borjas, 2018). Moreover, the migratory geopolitics of the international division of labor taking place prompts Brazilian relocation to other countries (Baeninger, 2018; Kerwin, 2020). Yet not all immigrants have professional qualifications or financial resources to move easily and often. In some cases, there is no relation between their previous jobs and their occupations in the receiving country (Borjas, 2018).

Several immigrants who may not have readily transferable skill sets see entrepreneurship as one possible form of social and economic inclusion in the West (Akbar, 2019). The Brazilians interviewed in this study also see business as a way to integrate themselves into Canadian society by learning English, making a living, and adjusting to cultural norms. Many Western countries have accepted knowledge about ethnic and immigrant entrepreneurship (Dheer, 2018).

Studies of Basu and Altinay (2002) and Altinay and Altinay (2008) revealed cultural aspects of ethnic businesses and integration within Indian, East African Asian, Pakistani, Bangladeshi, and Turkish communities in London in the United Kingdom. Also, the earliest studies of Light (1972) regarding ethnic enterprise in North America, which specifically focused on the self-employment of Chinese, Japanese, Blacks, and other disadvantaged minorities, enabled him to expand the theory of immigrant entrepreneurship (Light & Rosenstein, 1995). Other economic history studies have addressed historical immigration and business venturing patterns in Latin American contexts (Bandieri & Almaraz, 2020; Torres, Moreno, & Limón, 2020).

Nevertheless, there seems to be a gap in terms of understanding the entrepreneurship of Brazilian immigrants and literature is emerging on such cases in the United States, Japan, and Portugal (Cebulko, 2018; Cruz, Falcão, & Barreto, 2017; Diniz, Guimarães, & Fernandes, 2019; Neves, 2017; Shishito & Baeninger, 2016). Before the 1980s, Brazil was somewhat an immigrant hosting country (Patarra & Fernandes, 2011), dating back to its Portuguese colonial past and the immigration flows of European, Middle Eastern, and Asians in the 19th and early 20th centuries. These settlers were also involved in the initial venturing and commercial activities in Brazil.

Since the 1980s, Brazilians have migrated to escape the daily violence, racism, inflation, and economic and political crises (Margolis, 2013). Canada and its progressive international environment stand out as a tolerant society with abounding business and job opportunities. Having appealed to Brazilians, many considered moving to Canada (Ministério das Relações
Exteriores, 2016). Unfortunately, there is not much data and studies about the experiences of Brazilian-Canadians. This paper is one of the first studies that examine their reasons for migration and business activities in the Greater Toronto Metropolitan Area, Canada’s largest city. Consequently, the research objectives of the paper are threefold:

1) Identifying Brazilian immigrant micro-enterprises and self-employment configuration in Greater Toronto Metropolitan Area (Durham, Halton, Peel, and York), Canada (see Figure 1 and 2).

2) Describing the entrepreneurs in terms of their life history, human capital, and motivation.

3) Understanding their social networking mechanisms, the influence of their culture, and the human capital embedded in these social ties.

For this article, the definitions of small businesses from relevant sources will be considered. Although various definitions apply in different contexts, the heterogeneity of the small business demands adaptations according to each sector, geographic locality, or other contexts in which the small firm is embedded (Tonge, 2001). Therefore, the current research found not only small-business entrepreneurs but also self-employed and micro business owners. Self-employment is tightly associated with immigrants, and its definition relates to individuals who perform some work for profit or family gain, either in cash or in-kind (Blanchflower, 2000).

In addition, a particular type of small business is the microenterprises, which are defined as small businesses that employ less than 10 people, and often only one or two (Birks, Fluitman, Oudin, Salome, & Sinclair, 1994).

Finally, it is worth noting that this research’s exploratory and descriptive character can unveil new research questions to be addressed in future studies by other researchers, as suggested in the final considerations of this article. This is probably one of the main contributions of this exploratory research (Snyder, 2019). Based on the study conducted by Goza (1999), the authors add new evidence about the Brazilian community in Toronto and its entrepreneurial activities.

SITUATING THE ETHNIC AND IMMIGRANT ENTREPRENEURSHIP DISCOURSE

Despite the growing figures of migrants throughout the world, there are still limitations on immigrant and ethnic entrepreneurship research (Brzozowski, 2019). The first limitation relates to its concentration on a small number of countries (mainly Canada, the United States, and Western European nations) and ethnic groups (Latin, Chinese, Korean, and limited numbers of studies on Brazilians). Second, the insufficient number of theoretical concepts developed for the analysis of the phenomenon and limited methodological approaches. As corroborated by other literature reviews from authors such as Cruz and Falcão (2016), Ma, Zhao, Wang, and Lee (2013), and Aliaga-Isla and Rialp (2013), several underserved topics exist, including less common geographical locations such as Asia, Eastern Europe, Africa,
South America, and disadvantaged immigrant ethnic groups (poor immigrants, LGBTQ+, racialized ethnicities, etcetera).

Studies aimed at ethnic and immigrant entrepreneurship are the result of inter-disciplinary interactions (Cruz & Falcão, 2016). The formation of this field of research encompassed the preponderance of sociology and economics in its beginnings, and later, geography and urban studies (Light & Rosenstein, 1995; Portes & Zhou, 1992). Analysis of sociological and economic aspects was supported by several theories or frameworks, such as Bourdieu’s (2008) theory of capitals, theories regarding ethnic and cultural assimilation (Alba & Nee, 1997), cultural and ecological organizational issues (Evans & Leighton, 1990), and the mixed embeddedness applied to the immigrant businesses context (Kloosterman & Rath, 2001). In addition, several authors evidenced the role of entrepreneurship and self-employment to social integration and income generation of immigrants (Alba & Nee, 1997; Griffin-EL & Olabisi, 2018; Mosbah, Debili, & Merazga, 2018; Zhou, 2004).

Nevertheless, the multidisciplinary nature of the theme (Etemad, 2017) is highlighted as a challenge for research within the field. Although it is recognized that most studies did not use any specific theory while depicting the profiles of immigrant entrepreneurs, some theoretical propositions are addressed: 1) the human capital (Becker, Murphy, & Tamura, 1990), to analyze the characteristics of the educational and professional background of immigrants, 2) the social cognitive theory (Bandura, 1989), to study the influence of the social environment in the search for entrepreneurial opportunities, 3) the social capital theory (Dubos, 2017), to investigate how they perform social networks and to depict similarities between immigrant entrepreneurs located in different areas of the world, 4) the national culture (McSweeney, 2002), to understand individualistic and collectivist dimensions, and 5) the theories of intersectionality and the psychological perspective (Cole, 2009), to analyze the entrepreneurial behavior of immigrant women, for example (Aliaga-Isla & Rialp, 2013).

Other studies sought to analyze complementary theoretical models of spatial assimilation and stratification by location (Iceland & Wilkes, 2006), which dealt with aspects related to the field of geography and urban studies. It should be added that the survival mechanisms originating from organizational ecology, studied in sociology and the area of business administration, are also discussed from different ethnicities, as well as on the issue of gender in entrepreneurship (Cruz & Falcão, 2016).

In addition, extant literature studies ethnic markets (Logan, Alba, & McNulty, 1994) and transnationalism (Portes, Haller, & Guarnizo, 2002). Phenomena considered as an alternative form of economic adaptation for ethnic minorities in societies. These studies have been based on the theory of networks (Galloway & Thacker, 2013) applied to the transnational context. In addition, a key factor identified for ethnic entrepreneurship and transnational immigrants is what has been called the formation of social networks or networking, since it works, concurrently, as a support mechanism and a guide in the selection of destinations and business opportunities (Cruz, Falcão, & Barreto, 2017). Along these
lines, three forms of networking arise within immigrant contexts: networks of origin (ethnic, national), networks of destination, and industry networks, also called “networks of practice” (Drori, Honig, & Wright, 2009). The networks formed in the “ethnic enclaves” reduce barriers to emigration while increasing economic opportunities to take advantage of the resources for the establishment of immigrant ventures (Cruz, Falcão, & Barreto, 2017).

Also, Zhou (2004) proposes three basic categories of entrepreneurship within ethnic or immigrants’ contexts. First, the “intermediary minority” or “middlemen minority,” which plays an intermediate position between the dominant group and the individuals in the enclave, is generally represented by the small business owners. Second, the “ethnic market niches,” represented by labor-intensive, low-profit businesses targeted at sectors of the economy in more impoverished neighborhoods where they supply “exotic products” to traditional markets, and thirdly, the “enclave economies,” functioning as an integrated cultural entity, with strong ties of solidarity/coethnicity, privileged access to informal financial capital, and the ethnic workforce, in addition to being generally geographically concentrated.

However, from the perspective of ethnic entrepreneurship, it is considered that specific ethnic needs can create a niche market within the community (Light, 1972), promoting barriers to the entry of competitors (Masurel, Nijkamp, Tastan, & Vindigni, 2002). Yet, it also adds the possibility of non-conventional forms of supply and distribution (Wilson & Portes, 1980), such as the supply of alternative financial capital (Greene, 1997).

In addition, some ethnic communities are established in a specific geographic location, which may promote an ecosystem of companies that supply this specific ethnic market (Zhou, 2004). Another possibility that can be verified is adopting a supply strategy to the dominant market in a large urban center (Portes, 1981). Thus, in general, it can be considered that there are two types of immigrant entrepreneurs: those who socially identify with their communities due to bonds of culture, tradition, or lack of qualifications (such as language proficiency), and those who are not identified with their coethnics or even despise them. These different paths might also influence their decision to focus their business on local citizens or serve their ethnic enclave (Alba & Nee, 1997; Zhou, 2004).

USING SOCIAL CAPITAL THEORY TO LEARN ABOUT BRAZILIAN CANADIAN MICRO-ENTERPRISES AND SELF-EMPLOYED PEOPLE

Historically, Canada is recognized as a country that has adopted a selective immigration policy based on professional qualification and skills (Borjas, 1993; Knowles, 2016) and multiculturalism as a State policy (Machado & Teixeira, 2019). Since 2002, the country has officially defined three basic categories of permanent residence: 1) family reunifications, 2) economic, and 3) humanitarian (Fraga, 2018). However, migration is still an object of social and political tensions, especially concerning limitations to enter the labor market (Fraga,
Brazilians during the second half of the 1980s was fueled by permanent historical political and economic turmoil. Brazilian emigrants targeted countries such as Canada, the United States, and Western European nations predominantly. These flows continued to grow over during the 1990s and 2000s (Sega, 2018). For example, it went from 0.8 million in the 1980s to 1.4 million in 1996, and to 1.8 million in 2003 (Ministério das Relações Exteriores, 2016). Canada became an important destination for Brazilian immigrants, because of its economic and social security, as opposed to Brazilian social, political, and economic insecurity (Schervier, 2005).

According to the last Brazilian official statistics, 39,300 Brazilians were living in Canada during 2015 (Ministério das Relações Exteriores, 2016), being the Greater Toronto Metropolitan Area (Province of Ontario) the main immigration hub, holding the largest contingent of Brazilian immigrants in Canada (Sega, 2018). As of 2016, 10,520 Brazilians were living in Toronto (Statistics Canada, 2017). Most of them being higher-educated workers from upper and middle-classes, working in formal jobs and the informal sector (Margolis, 2013; Sega, 2018).

One of the most common entry strategies for young adult Brazilian immigrants includes applying for a student visa while developing their social networks and a “Canadian work experience,” crucial for getting better-paid jobs (Trilokekar & El Masri, 2019). However, Brazilian newcomers frequently find work, first in the informal sector, in different activities such as construction, cleaning services, restaurants, etc. (Sega, 2018). On the other hand, Goza (1999) evidenced immigrants who arrived in Toronto after 1987 when visas were already a requirement for Brazilians. They entered the country claiming to be “refugees,” which allowed them to work, study, and collect social benefits until all their court appeals were exhausted.

Meanwhile, many developed English skills and lived the “Canadian Experience,” which enabled them to score high enough on the Canadian immigrant point scale and culminated in becoming legal citizens. Goza (1999) also highlights that these Brazilian immigrants were relatively well educated and highly motivated to succeed, so that even those who expressed a desire to return to Brazil integrated well into the host country’s society, resulting in a desire to stay permanently in Canada. That seminal work pushed further research on Brazilians. According to Cruz, Falcão, and Mancebo (2019), many of these Brazilian newcomers work in businesses owned by the Portuguese. Due to their common language and some similarities in their cultural background, Brazilians are embedded in the social networks of Portuguese communities. As part of Social Capital, these initial ties enable them to develop local networks. Most importantly, it is an access to a learning experience that can lead and reproduce the development of ethnic entrepreneurship (Cruz, Falcão, & Mancebo, 2019;
Teixeira, 2001). Additionally, Teixeira (2001) defines the region where these Portuguese businesses are in Greater Toronto Metropolitan Area (Figure 1).

Figure 1. Toronto City and Portuguese Business

Source: Retrieved from the article “Construindo uma economia étnica em Toronto, Canadá” (Teixeira, 2001).
As for the Greater Toronto Metropolitan Area and its districts, they are depicted in Figure 2.

**Figure 2. Greater Toronto Metropolitan Area**

Source: Retrieved from the article “Examining urban expansion in the Greater Toronto Area using Landsat imagery from 1974-2014” (Wang, Li, Wang, & Li, 2015).

For immigrants, in general, entrepreneurship is an important means of economic and social insertion, including self-employment (Hiebert, 2003). Brazilian immigrant entrepreneurs are subject to the interplay between their ethnic culture, human capital, and opportunity structures (Cruz, Falcão, & Mancebo, 2019). On the one hand, some ethnic businesses allow low proficiency in the local language. While on the other, low proficiency in the local language or a strong accent could be barriers to successful careers or ventures (Colakoglu, Yunlu, & Arman, 2018) targeting local consumers.

Social structures tend to play a role as a support mechanism for immigrant entrepreneurship (Cruz, Falcão, & Barreto, 2017). In addition, it appears that networks tend to facilitate economic opportunities, mainly by leveraging resources to establish immigrant-related businesses (Drori, Honig, & Wright, 2009). Moreover, both Martes and Rodriguez (2003) and Margolis (2013) show a strong connection between religious activities performed during church attendance and the development of social networks, which eventually leads to ethnic business creation.
Several scholars contributed to the discussion of social capital (Bourdieu, 2008; Coleman, 1988; Lin, 1999). Coleman (1988), for instance, defines social capital functionally as a variety of entities with two elements in common: they all consist of some aspect of social structures, and they facilitate certain actions of actors—whether persons or corporate—within the structure (Coleman, 1988). Specifically, it is a change in the relations between actors that produce social capital (Becker, Murphy, & Tamura, 1990; Coleman, 1988).

These changes are only accomplished through communication. For example, Lin (1999) relates interactions and networking to profit. Social capital enhances the outcome of actions, including access to strategic information channels, access to norms and effective sanctions, and the configuration of structures of obligations, expectations, and trustworthiness. Better-informed immigrants might have access to suppliers, employees, and consumer knowledge (Portes & Zhou, 1992), reducing the transaction costs for the organization. Social ties may also exert influence on the agents of other firms or governmental organizations, playing a critical role in decisions. These networks may also certify the individual’s social credentials (Coleman, 1988), some of which reflect their accessibility to resources through social networks and relations. Nevertheless, social ties are expected to reinforce identity and recognition. The spatial concentration of immigrants within some neighborhoods also promotes ethnic business embedded in social networks (Portes & Zhou, 1992).

In Canada, the so-called “warm introductions” are particularly typical of business relationships, essential to explaining why social capital works in instrumental and expressive actions not accounted for by personal capital forms such as economic capital or human capital. Social relationships are complex. Therefore, a form of social capital that can be valuable in facilitating some individual work-related actions or commercial issues may be useless or even harmful for others (Coleman, 1988).

When compared to other forms of capital, due to its nature, social capital also is less tangible and more volatile, related to changeable relations among persons that facilitate action (Lin, 1999). While physical (financial) capital is tangible due to its connection with goods or investments, human capital, on the contrary, is a bit less tangible as it is related to knowledge and skills acquired by individuals. As shown by Portes (1995), social ties may also play a significant role in welcoming or excluding outsiders, which is seen, especially in immigrant or ethnic communities that exert pressure for conformity on individual freedoms and business initiatives.

Apart from the social capital, other aspects of mixed embeddedness are present in every immigration setting (Kloosterman & Rath, 2001). Brazilian immigrants also face barriers in their business practice, with limited access to financing being a persistent problem (Teixeira, Lo, & Truelove, 2007). Therefore, despite the Canadian commitment to multiculturalism, several institutional settings might enhance immigrant discrimination and business hardship, such as difficulty in validating medical training (Foster, 2008) and obtaining a permanent
resident visa (Oppenheimer, Prakash, & Burns, 2016), or barriers to immigrant venturing (Collins & Low, 2010).

Depending on the immigration waves, immigrants show a diversity of economic and human capitals mix, as evidenced by Brazilian communities in the U.S. state of Florida (Cruz, Falcão, & Barreto, 2017). Furthermore, different Brazilian sub-cultures and ethnic-racial backgrounds exist, depending on their ethnic groups, such as Japanese Brazilian descent –dekassegui– (Ryakitimbo & Hossain, 2019), African Brazilians (Lima & Brasileiro, 2020), or white-skinned European of Brazilian ancestry (Cebulko, 2018).

Another aspect to consider is that which has to do with possible mechanisms of limited distrust between co-ethnics as opposed to the institutional network, such as chambers of commerce and immigrant associations (Cruz, Falcão, & Barreto, 2017). Furthermore, it should be considered that social class differences can also be reproduced abroad (Kristen, 2019). As well as opportunity structures and the target audience of companies can also be subject to the affiliation of immigrants to their communities (Cruz, Falcão, & Mancebo, 2019).

METHODS AND APPROACHES

This research applied a mixed-method approach, following detailed procedures (Creswell & Creswell, 2017), taking place between July and December 2019, as reported below. We aim at unveiling aspects of Brazilian immigrant micro-enterprises and self-employment configuration, describing entrepreneurs and their social networking mechanisms. As well as the influence of their culture and human capital embedded in these social ties, using mixed embeddedness (Kloosterman & Rath, 2001), social capital theories (Coleman, 1988; Lin, 1999), seminal works on immigration to Canada (Goza, 1999), and immigrant entrepreneurship as inspiration (Portes & Zhou, 1992).

DATA COLLECTION

Survey questionnaires were applied to establish an overview of the sample and to quantify the findings among 74 entrepreneurs and two members from the Brazilian and Canadian consulates. First, the researchers contacted a trader commissioner official of the Canadian Consulate in Brazil, who introduced them to five Brazilian-Canadian entrepreneurs. They introduced them to other Brazilian entrepreneurs through snowball sampling (Goodman, 2011). The networking platform LinkedIn was an important medium to establish direct contact with prospect entrepreneurs to be interviewed.

A follow-up session of semi-structured interviewing was conducted with 42 subjects of this pool. The sample of respondents was defined by the accessibility criterion, being non-probabilistic and intentional. Respondents had to be Brazilian entrepreneurs living in the Greater Toronto Metropolitan Area, regardless of the type of industry, size, or years
established. The sample must encompass the varying length of stay in Canada, equivalent share of men and women, varied ages, and educational/academic background. Data collection was conducted in an area that concentrates several Brazilian immigrant ventures, Toronto’s west end of Lansdowne, and other areas according to business locations. The questionnaire contained information regarding their sociodemographic profile, visa status upon Canada entry, emigration reasons, business information (how long has it been in operation, type of business, formality status).

The second stage of data collection, which encompassed semi-structured interviews, aimed at probing different issues such as the individual’s migratory trajectory, experiences in starting and running their own business, and the specific opportunity structures encountered. Additional subjects included the importance of social networks and mechanisms for the survival and success of their businesses, financial problems, advice in administrative or legal issues, partnerships, and local suppliers, and lastly, logistic issues and business support.

Interviews were fully recorded on audio and transcribed. Their average duration was one hour and were carried out during the most convenient and opportune days, places, and times for the subjects.

Researchers used field observation while wandering around in areas such as Lansdowne Avenue in Toronto, with a high concentration of Brazilian immigrant ventures. Businesses included Brazilian bakeries, groceries, hair salons, travel agencies, money remittances, and coffee shops. Some of them were not Brazilian owned despite their Brazilian identity. A notebook was used to take field notes and to record impressions and insights. Brazilian print media such as magazines and newspaper ads served as data triangulation sources. When, at first, the entrepreneurs did not answer the questionnaire via e-mail, researchers tried sending the questionnaire links via WhatsApp messaging, which proved to be effective.

Data Analysis

For the analysis of the data obtained through the survey, simple descriptive statistics were used. Regarding the interpretation of data from the interviews, the content analysis method was used (Bardin, 2011), encompassing pre-analysis, material exploration, and treatment of results (e.g., coding and inference).

First, a pre-analysis was conducted, thus the material was organized, making up the research corpus. We choose the documents, hypotheses were formulated, and we developed indicators to guide the final interpretation and observe, first, the exhaustiveness of the whole subject without omitting any part. Second, the representativeness, encompassing a sample that represents the population, and homogeneity, in which case the data must refer to the same theme, using the same data collection techniques. Third, the pertinence necessary to adapt instruments to the research objectives; and lastly, categorization exclusivity. The
results obtained were coded and subsequently compared with recent literature to achieve the research objectives and contribute to the advancement of the field of study.

FINDINGS: EMPIRICAL RESULTS AND DISCUSSION

This section presents the data collection results of the 74 respondents and a discussion on the findings. In addition, 42 people participated in the semi-structured interviews, which further deepened the understanding of their trajectories.

Table 1 presents the respondents’ sociodemographic profile based on the survey questionnaire and other general aspects such as schooling, gender, race, marital status, time of residence in Canada, etcetera.

Table 1. Sociodemographic Profile of the Survey Respondents in 2019-2020 (N=74)

<table>
<thead>
<tr>
<th>Gender</th>
<th>Male</th>
<th>Female</th>
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<tbody>
<tr>
<td>Age (years)</td>
<td>Male</td>
<td>Female</td>
</tr>
<tr>
<td>18-24</td>
<td>1.40%</td>
<td>0.00%</td>
</tr>
<tr>
<td>25-34</td>
<td>6.70%</td>
<td>15.20%</td>
</tr>
<tr>
<td>35-44</td>
<td>17.70%</td>
<td>19.30%</td>
</tr>
<tr>
<td>45-54</td>
<td>6.70%</td>
<td>12.40%</td>
</tr>
<tr>
<td>55-64</td>
<td>4.00%</td>
<td>13.80%</td>
</tr>
<tr>
<td>Over 65</td>
<td>0%</td>
<td>2.80%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Brazilian State (province) of birth</th>
<th>Male</th>
<th>Female</th>
</tr>
</thead>
<tbody>
<tr>
<td>São Paulo</td>
<td>17.58%</td>
<td>21.62%</td>
</tr>
<tr>
<td>Minas Gerais</td>
<td>6.77%</td>
<td>14.86%</td>
</tr>
<tr>
<td>Paraná</td>
<td>2.70%</td>
<td>1.35%</td>
</tr>
<tr>
<td>Rio de Janeiro</td>
<td>2.70%</td>
<td>8.11%</td>
</tr>
<tr>
<td>Bahia</td>
<td>1.35%</td>
<td>4.06%</td>
</tr>
<tr>
<td>Pernambuco</td>
<td>1.35%</td>
<td>2.70%</td>
</tr>
<tr>
<td>Rio Grande do Sul</td>
<td>1.35%</td>
<td>2.70%</td>
</tr>
<tr>
<td>Goiás</td>
<td>0%</td>
<td>2.70%</td>
</tr>
<tr>
<td>Rondônia</td>
<td>0%</td>
<td>2.70%</td>
</tr>
<tr>
<td>Espírito Santo</td>
<td>0%</td>
<td>1.35%</td>
</tr>
<tr>
<td>Sergipe</td>
<td>0%</td>
<td>1.35%</td>
</tr>
<tr>
<td>Ceará</td>
<td>1.35%</td>
<td>0%</td>
</tr>
<tr>
<td>Distrito Federal</td>
<td>1.35%</td>
<td>0%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Marital Status</th>
<th>Male</th>
<th>Female</th>
</tr>
</thead>
<tbody>
<tr>
<td>Married</td>
<td>25.70%</td>
<td>41.90%</td>
</tr>
<tr>
<td>Divorced</td>
<td>4.10%</td>
<td>9.50%</td>
</tr>
<tr>
<td>Single</td>
<td>6.70%</td>
<td>6.80%</td>
</tr>
<tr>
<td>Separated</td>
<td>0%</td>
<td>2.70%</td>
</tr>
<tr>
<td>Widower</td>
<td>0%</td>
<td>1.30%</td>
</tr>
<tr>
<td>N/A</td>
<td>0%</td>
<td>1.30%</td>
</tr>
</tbody>
</table>
Many respondents came from southeastern states in Brazil, namely São Paulo, Minas Gerais, and Rio de Janeiro (see table 1). These states have the largest Gross Domestic Products (GDP) in the country, representing 32.2%, 10.2%, and 8.8% of Brazil’s total GDP, respectively. This opposes the traditional theory of economic migration, driven solely by a lack of resources (Mayblin, 2019). However, the selective migration policies of Canada favor considerably higher educational and cultural levels (human capital). That is the case of middle- and upper-class Brazilian emigrants who choose countries in which they can improve their standards of living, escaping the economic and political instability of their country of origin.
Most of the respondents left their jobs or businesses in Brazil to emigrate to Canada, so working as an “employee” (54%) and entrepreneurs (33.8%) were the principal answers (table 1). These data corroborate Cruz, Falcão, and Barreto’s (2017) findings, reinforcing that among Brazilian immigrants, the main reason to immigrate is not economic but rather related to a better standard of living and conditions. In addition, 78.3% of respondents stated they hold a bachelor’s or postgraduate degree. This corroborates other studies that highlight Brazilian immigrants’ qualifications in countries where minimum levels of education and English proficiency are required (Cruz et al., 2016). For instance, Brazilian immigrants in Australia. When comparing the labor conditions upon arrival in Canada by gender, we can see a situation significantly more unfavorable to women than to men (table 1).

Regarding their proficiency in English and French, data reveals a high level in English reading comprehension (very well= 86.5%), speaking (very well= 79.7%), writing (very well= 73%), and comprehension (very well= 87.8%). Conversely, in relation to French, there is a low level of reading comprehension (almost nothing= 58.1%), speaking (almost nothing= 62.2%), writing (almost nothing= 63.5%), and understanding (almost nothing= 54.1%). Nevertheless, Finardi and França (2016) highlight that foreign language education in Brazil is particularly incipient. On the other hand, Bozorgmehr and Ketcham (2018) highlight the importance, for the immigrant entrepreneur’s success, of speaking the native language. For instance, Brazilians who reside in Montreal, they have the qualifications to participate in the government of Quebec. However, there is resistance on their part due to linguistic difficulties with French language proficiency (Da Silva, 2017).

**Who Was Interviewed?**

As for the second stage of data collection, encompassing semi-structured interviews, table 2 displays the profile of respondents regarding their age, schooling, time in Canada, and the type of business they run.

Table 2. Description of Brazilian Entrepreneurs in the Greater Toronto Metropolitan Area, 2019-2020 (Interviews, N=42)

<table>
<thead>
<tr>
<th>Interviewee (ID)</th>
<th>Gender (M/F)</th>
<th>Age</th>
<th>State of birth</th>
<th>Schooling</th>
<th>Time in Canada (years)</th>
<th>Type of business</th>
<th>Number of Employees</th>
</tr>
</thead>
<tbody>
<tr>
<td>E1</td>
<td>M</td>
<td>36</td>
<td>São Paulo</td>
<td>Bachelor or equivalent</td>
<td>3</td>
<td>IT (Serv./Law-tech)</td>
<td>1</td>
</tr>
<tr>
<td>E2</td>
<td>F</td>
<td>52</td>
<td>Minas Gerais</td>
<td>Bachelor or equivalent</td>
<td>18</td>
<td>Social / welfare services</td>
<td>Self-employment</td>
</tr>
<tr>
<td>E3</td>
<td>M</td>
<td>36</td>
<td>São Paulo</td>
<td>Post Grad.</td>
<td>1</td>
<td>IT (Serv./HRM)</td>
<td>4</td>
</tr>
<tr>
<td>E4</td>
<td>F</td>
<td>58</td>
<td>Rio de Janeiro</td>
<td>Bachelor or equivalent</td>
<td>26</td>
<td>Health and wellness</td>
<td>6</td>
</tr>
<tr>
<td>Code</td>
<td>Gender</td>
<td>Age</td>
<td>State</td>
<td>Level of Education</td>
<td>Profession</td>
<td>Industry</td>
<td></td>
</tr>
<tr>
<td>------</td>
<td>--------</td>
<td>-----</td>
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<td></td>
</tr>
<tr>
<td>E5</td>
<td>F</td>
<td>62</td>
<td>Rio de Janeiro</td>
<td>Post Grad.</td>
<td>Graphic / Editorial Services</td>
<td>1</td>
<td></td>
</tr>
<tr>
<td>E6</td>
<td>F</td>
<td>57</td>
<td>Goiás</td>
<td>Middle School</td>
<td>Beauty Services</td>
<td>7</td>
<td></td>
</tr>
<tr>
<td>E7</td>
<td>M</td>
<td>43</td>
<td>São Paulo</td>
<td>Post Grad.</td>
<td>Graphic / Editorial Services</td>
<td>3</td>
<td></td>
</tr>
<tr>
<td>E8</td>
<td>M</td>
<td>49</td>
<td>Paraná</td>
<td>Post Grad.</td>
<td>Food and drinks</td>
<td>5</td>
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</tr>
<tr>
<td>E9</td>
<td>F</td>
<td>60</td>
<td>Minas Gerais</td>
<td>Middle School</td>
<td>Food and drinks</td>
<td>12</td>
<td></td>
</tr>
<tr>
<td>E10</td>
<td>F</td>
<td>29</td>
<td>São Paulo</td>
<td>Bachelor or equivalent</td>
<td>Food and drinks</td>
<td>3</td>
<td></td>
</tr>
<tr>
<td>E11</td>
<td>M</td>
<td>48</td>
<td>Minas Gerais</td>
<td>Middle School</td>
<td>Grocery and Supermarkets</td>
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<td></td>
</tr>
<tr>
<td>E12</td>
<td>F</td>
<td>72</td>
<td>Rio de Janeiro</td>
<td>Bachelor or equivalent</td>
<td>Courses and Education Services</td>
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<td></td>
</tr>
<tr>
<td>E13</td>
<td>M</td>
<td>43</td>
<td>Rio de Janeiro</td>
<td>Post Grad.</td>
<td>IT (Serv./Fintech)</td>
<td>9</td>
<td></td>
</tr>
<tr>
<td>E14</td>
<td>F</td>
<td>43</td>
<td>São Paulo</td>
<td>Bachelor or equivalent</td>
<td>Cleaning services</td>
<td>1</td>
<td></td>
</tr>
<tr>
<td>E15</td>
<td>F</td>
<td>43</td>
<td>Rio Grande do Sul</td>
<td>Post Grad.</td>
<td>Agency Services</td>
<td>1</td>
<td></td>
</tr>
<tr>
<td>E16</td>
<td>F</td>
<td>43</td>
<td>São Paulo</td>
<td>Bachelor or equivalent</td>
<td>Health and wellness</td>
<td>Self-employment</td>
<td></td>
</tr>
<tr>
<td>E17</td>
<td>M</td>
<td>53</td>
<td>São Paulo</td>
<td>Bachelor or equivalent</td>
<td>Transport</td>
<td>16</td>
<td></td>
</tr>
<tr>
<td>E18</td>
<td>F</td>
<td>48</td>
<td>São Paulo</td>
<td>Post Grad.</td>
<td>Cleaning services</td>
<td>2</td>
<td></td>
</tr>
<tr>
<td>E19</td>
<td>M</td>
<td>24</td>
<td>São Paulo</td>
<td>Middle School</td>
<td>Health and wellness</td>
<td>Self-employment</td>
<td></td>
</tr>
<tr>
<td>E20</td>
<td>F</td>
<td>41</td>
<td>Goiás</td>
<td>Elementary school</td>
<td>Fashion and accessories</td>
<td>2</td>
<td></td>
</tr>
<tr>
<td>E21</td>
<td>F</td>
<td>48</td>
<td>Rio Grande do Sul</td>
<td>Middle School</td>
<td>Jeweler and Watchmaking</td>
<td>3</td>
<td></td>
</tr>
<tr>
<td>E22</td>
<td>F</td>
<td>44</td>
<td>Minas Gerais</td>
<td>Middle School</td>
<td>Cleaning services</td>
<td>13</td>
<td></td>
</tr>
<tr>
<td>E23</td>
<td>F</td>
<td>55</td>
<td>Minas Gerais</td>
<td>Middle School</td>
<td>Foods</td>
<td>2</td>
<td></td>
</tr>
<tr>
<td>E24</td>
<td>F</td>
<td>37</td>
<td>Bahia</td>
<td>Bachelor or equivalent</td>
<td>Health and wellness</td>
<td>Self-employment</td>
<td></td>
</tr>
<tr>
<td>E25</td>
<td>F</td>
<td>39</td>
<td>São Paulo</td>
<td>Post Grad.</td>
<td>Advisory Services</td>
<td>Self-employment</td>
<td></td>
</tr>
<tr>
<td>E26</td>
<td>M</td>
<td>36</td>
<td>Pernambuco</td>
<td>Post Grad.</td>
<td>Food and drinks</td>
<td>4</td>
<td></td>
</tr>
<tr>
<td>E27</td>
<td>F</td>
<td>55</td>
<td>Bahia</td>
<td>Middle School</td>
<td>Beauty Services</td>
<td>4</td>
<td></td>
</tr>
<tr>
<td>E28</td>
<td>M</td>
<td>42</td>
<td>Minas Gerais</td>
<td>Post Grad.</td>
<td>IT (Serv./Education)</td>
<td>4</td>
<td></td>
</tr>
<tr>
<td>E29</td>
<td>M</td>
<td>27</td>
<td>Ceará</td>
<td>Post Grad.</td>
<td>Consulting services</td>
<td>Self-employment</td>
<td></td>
</tr>
<tr>
<td>E30</td>
<td>F</td>
<td>37</td>
<td>São Paulo</td>
<td>Bachelor or equivalent</td>
<td>Consulting services</td>
<td>Self-employment</td>
<td></td>
</tr>
<tr>
<td>E31</td>
<td>M</td>
<td>29</td>
<td>São Paulo</td>
<td>Post Grad.</td>
<td>IT (Serv./Logistics)</td>
<td>Self-employment</td>
<td></td>
</tr>
</tbody>
</table>
Motivations for Leaving Brazil and Venturing into Canada

As mentioned before, one of the main alleged motivations for leaving Brazil has to do with security issues, which some of the interviewees refer to as “lack of security,” “feeling of insecurity,” or “violence,” but also to “instability” to plan life in the long run, and to seek a “better quality of life.” Therefore, as pointed out by Schervier (2005), security appears to have a broader sense, which is corroborated by the following extracts from the interviews:

[...] especially with regard to security, I think it has reached a terrible level (E7, personal communication, July 30, 2019).

Insecurity in general, not only public insecurity [...] government and political insecurity [...]. Brazil is very unstable (E28, personal communication, October 21, 2019).

Even day-to-day difficulties, urban violence is an important factor (RCB, personal communication, July 11, 2019).

These comments from our interviewees reinforce Cruz, Falcão, and Barreto’s (2017) argument as well, that the emigration of Brazilians, who are willing to become entrepreneurs abroad, has a strong connection with the feelings of disappointment and frustration with the country of origin, in this case, Brazil. The authors believe that these feelings directly affect two points. On the one hand, distrust among Brazilians affects the
formation of an entrepreneurial network. While on the other, it inhibits the accomplishment of transnational businesses (Drori, Honig, & Wright, 2009) since the entrepreneurs do not feel safe investing their earnings earned abroad in businesses in their country of origin.

There are additional reasons encompassing the search for personal and professional development, business internationalization strategies, or even participation in a mature innovation ecosystem, as stated by our interviewees:

> When emigrating, they come with a professional perspective, which often begins by enrolling in college, thus it becomes the first step of their migratory process (RCB, personal communication, July 11, 2019).

> Opportunities, learning, personal, and professional growth” (E10, personal communication, August 8, 2019).

> The main reason is of a personal nature, (my) children’s education and such; and the second was to open a business born global, from day one (E13, personal communication, August 19, 2019).

> I think it is [the] support to do what we do […]. It is a mature environment […] (E35, personal communication, November 8, 2019).

Upon their arrival in the receiving country, while most respondents settled in the city of Toronto (94.6%), the Greater Toronto Metropolitan Area was an option as well. The most frequent reasons for choosing Toronto have to do with “job opportunities” and “having acquaintances, friends or relatives in the city.” Regarding the length of stay in Canada, the periods of 10 to 19 years and 3 to 4 years stand out, respectively (see table 2). Moreover, in the early 1980s, Brazilian immigration was related to the pre-existence of a Portuguese community (Debiaggi, 2004), which proved to be important to build the Brazilian community overseas—as in Boston and Philadelphia in the United States. Thus, having a common language background facilitates an immigrant’s journey. Regarding the city of Toronto, Teixeira (2001) points out that Portugal already had a long relationship with Canada, dating back to the 15th and 16th centuries, due to fishing activities. However, the so-called modern emigration, according to the author, begins in the 1950s.

Regarding the work condition on arrival in Canada, from a gender perspective, it is worth stressing the comparatively more unfavorable situation of women in relation to men, which may suggest a factor of influence for women to be more “prone” to entrepreneurship (formal or informal) than men, both by opportunity and necessity. This can happen for several reasons: “difficulty to continue the career in the same area developed in the country of origin”; “flexibility in the use of time”; “immigration due to the spouse’s organizational expatriate status,” among others.

Finally, we sought to find out if the respondents intended to return to live in Brazil, to which 71.6% answered “no.” The reasons for such positioning are closely related to the reasons for having left the country. The following comments provide evidence of the justifications for not returning to their country of origin:
I think I [have] finally adapted here, it was very difficult, but after a lot of struggles, […] I see a better future here, […] a more stable country (with) a healthier culture […] (E29, personal communication, October 22, 2019).

I think […] here is the ideal environment for me, for business […]. Socially, you have a structure! […], there is a more egalitarian society. For these reasons, I would not return (E35, personal communication, November 8, 2019).

I believe that the know-how I got here, in five years, was much greater than the know-how acquired when I was in Brazil, […] today my wish is to stay (E10, personal communication, August 8, 2019).

**Business Networks and Social Capital**

Several aspects influence the establishment and initiation of businesses. As a result, in the Brazilian entrepreneurial community of Toronto, networking was one of the principal facilitators; therefore, 82.4% of respondents stated its importance. When asked whether they considered that the current networks facilitated the daily management of their business, 89.2% answered positively and 10.8% negatively. The following statements can evidence the relevance attributed to networking in aspects such as information search:

I think it helps by giving market information and how to incorporate changes to our work plan […] (E28, personal communication, October 21, 2019).

[...] in terms of tips, in terms of opening doors, in terms of directions, in commercial selling... (E26, personal communication, October 5, 2019).

Respondents declare it is crucial to develop a business network from the beginning. This enables business success, access to customers, and possible partners, as stated below:

[...] I believe that on your own you don’t get very far […] when immigrants arrive, they need to build a strong network […] I looked for Enterprise Toronto and started taking the courses I mentioned before […] I started to build my own business network, which was excellent and relevant for the company” (E10, personal communication, August 8, 2019).

Networking is crucial to entrepreneurs, as it results in access to customers and suppliers. In addition, information is seen as fundamental to guide decision-making at any stage of the business. Brazilians make use of social media such as Instagram, LinkedIn, and Meetups to establish their business networks. In addition, WhatsApp messaging application is especially important within the Brazilian community as it is in their country of origin.

The “warm introduction” is pointed out as a “strategy” for accessing prospect customers or other stakeholders, who tend to work effectively in the Canadian context; therefore, its importance is recognized by entrepreneurs. The term refers to an endorsement of sorts which functions as word-of-mouth marketing by a third party that knows the individuals on both sides. It is commonly used in investors’ cycles or salespeople (O’Brien, 2019), as per one
Brazilian entrepreneur: “We have used LinkedIn here a lot, Meetups to create new networks, etc. [...] trying to get to a next meeting, trying to get to an introduction to someone [...] after [those reunions] we can get a ‘warm introduction’” (E31, personal communication, October 30, 2019).

Doing business in Canada is also related to aspects such as “sincerity,” “objectivity,” “transparency,” “trying to understand what matters” or “understanding customers’ real needs.” Therefore, it is expected that business owners honor their commitments, develop professionalism, efficiency, and respect the law. The following statements illustrate that aspect:

First of all, be transparent [...]. Another thing, I really try to solve problems, [...] try to focus what is affecting the client, and from there attack what is really relevant and [...] funnily, within this macro design, we ended up making a series of adjustments to really try to solve what matters [...] (E13, personal communication, August 19, 2019).

On Social Capital Related to Ethnic Businesses and Brazilian Culture

Toronto was identified as a cosmopolitan well-organized, and dynamic city, chosen to be the headquarters of most Brazilian immigrant businesses, especially the West End region.

Most Brazilian immigrant businesses are either self-employed or micro-enterprises active in various branches of the service provision sector with a strong identification with their ethnic community, suggesting that social capital is essential to the formation of “ethnic market niches.” However, some businesses focus on the “mainstream” local market, according to the typology proposed by Cruz, Falcão, and Mancebo (2019).

Cultural elements are particularly essential to attract co-ethnic customers, which reveal the intertwining of culture and ethnic social capital. When performing geographic recognition of businesses, researchers were able to check, in loco, some Brazilian identity cultural signs, such as the national flag, its colors, and “features” on the façade. These cultural markers were not uncommon in several businesses. In some cases, the flag of the business owner’s state of origin replaced Brazil’s flag. Also, the businesses’ names often referred to Brazil and its cities or regional linguistic expressions. For instance, in restaurants, the menus were printed in Portuguese and English. Occasionally, Brazilian cable programs were on the television, or Brazilian music was played.

Another visible artifact has to do with the decoration of businesses, for example, pictures of Brazilian sights, regional people, and other Brazilian themes or handicrafts. As observed by the researchers, most customers at the time of the on-site observations were either Brazilian or of Brazilian origin, confirming that these businesses target their co-ethnic audience or their “ethnic enclave economy” (Zhou, 2004). Therefore, the strong presence of ethnic identification or visible artifacts reinforced the impression that entrepreneurs strongly identified with their ethnic group, resulting in being more likely to develop “enclave
strategies” (Achidi Ndofor & Priem, 2011) and become entrepreneurs of the “ethnic enclave” (Lee, 1999). Thus, evidence points to the opportunity structures and target audience of immigrant businesses that are also subject to immigrant affiliation to their communities (Cruz, Falcão, & Mancebo, 2019).

Co-ethnic social networks relate to institutions and organizations that help them to migrate, get jobs, or adjust to society in the destination country in other ways. They might include universities, diaspora organizations, government and non-governmental organizations, private employment agencies, corporations, religious and cultural organizations, and so on. Evidence points to 51.35% of firms, which indicate that most employees were of Brazilian origin, with “linguistic and cultural ease” being relevant factors. They search for a closer relationship with their target audience, especially other Brazilian residents, or tourists.

In the case of the beauty salons, for example, Portuguese language proficiency proves to be important, as well as the technical skills of the profession, as according to one of the testimonies: “Brazilians have more ability to deal with some more “difficult” types of hair” (E27, personal communication, October 7, 2019).

On the other hand, for the cleaning services industry, employees of Brazilian origin are not essential, given that business is often not focused on Brazilian residents. However, in general, in both activities mentioned before (beauty salons or cleaning services), Brazilians seem to enjoy a good reputation for being “skilled,” “versatile,” “flexible,” and “hygienic.”

From the opportunity point of view, companies that evolve and expand their businesses face barriers to obtain bank credit. These credit barriers can only be overcome by different types of social networking such as “warm introductions” or through a previous Canadian work experience, as they are informally required for several processes such as applying for a credit or a job and housing or commercial rent. Moreover, companies that remain targeting the “ethnic market niches” or even “enclave economies,” may even benefit as a market entry strategy. However, this might limit their growth due to the not-so-favorable socioeconomic characteristics of the Brazilian community.

Regarding experience and entrepreneurial behavior, 41.89% of Brazilian migrants started their first business in Canada. The rest had already had at least one previous entrepreneurial experience in Brazil or Canada. Also, we found that 51.35% of the respondents did not manage to elaborate a business plan before starting the entrepreneurial activity of the moment.

When asked if they would have given up the idea of entrepreneurship if they received a well-paid job offer in Canada, about 75.67% answered “no.” The main justifications relate to “doing the job one likes,” “freedom to manage your own time,” “autonomy,” and “having fun.” Moreover, concerning their ambitions, 93.24% indicated it relates to “materializing their firm,” and only 6.76% answered “becoming wealthy,” which indicates a desire for “personal fulfillment and satisfaction.” It was also common to hear that “money is a
consequence.” When asked if they had thought about undertaking a job in Canada before leaving Brazil, only 64.86% answered “no.” This suggests, along with the majority who declared arriving ‘with no prospect of work,’ that a considerable part of immigrants may have decided to start a new business due to necessity (von Bloh, Mandakovic, Apablaza, Amorós, & Sternberg, 2020).

When trying to find out the main initial difficulties experienced by respondents, as immigrant entrepreneurs in Canada, the most relevant indications have to do with “how to do business” and “cultural adaptation.” As well as the issues evidenced in the excerpts of the interviews: “No experience in Canada […], lack of proper documentation or portfolio […] 70% of the difficulties to get the first customers were not related to [the] product […] but to the cultural issue as barrier” (E1, personal communication, July 8, 2019).

Therefore, “cultural adaptation,” in the broadest sense of the term plays a big role in business settlement, as stated by the interviewees:

The difficulty is bringing your Brazilian “luggage” […] the culture […] you arrive in a much less complicated country, you are lost [laughs] (E35, personal communication, November 8, 2019).

The main difficulty to undertake here is that you are able to reconcile the whole turmoil of your personal life, due to the changes. To immigrate is to be born again, […], and apart from the language, the cultural context, it is difficult to cope with adaptation (E33, personal communication, October 31, 2019).

Most Brazilian businesses were formally registered (82.43%). Informal entrepreneurs tend to take more risks and face greater difficulties when doing business. Nevertheless, several reported starting their activities even before formalization, meaning a form of self-financing their companies (Ramadani, Bexheti, Dana, & Ratten, 2019).

As for the type of business ownership, 68.9% indicated “self-owned” and 25.7% “had a partnership.” Service businesses are dominant, being “health and well-being” (16.2%), “food” (12.2%), “consulting services” (10.8%), and “information technology” (8.1%).

Regarding the target market, 50.0% answered to focus on “Brazilians living in Canada,” followed by a 25.7% that aims their business to “Canadian” customers. However, most startups operate in ‘B2B’ (Business to business), which focuses on Canadian, Brazilian, European, Asian, or Latin American companies. Moreover, 71.6% reported previous knowledge in their activities, and 59.6% stated knowing the characteristics of their target customers.

Concerning initial capital, 72.97% stated investing their “own resources,” while others mentioned using a combination of own resources and pre-seed money from the Creative Destruction Lab program.5 Also mentioned were resources from “family and friends,” or a

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5 Launched in 2012 by the Rotman School of Management at the University of Toronto, this program promotes startups and entrepreneurship.
“bank loan.” As for profitability showing, 23% stated they had not recovered their initially invested capital, and for 44.6%, they recovered it in “up to one year.”

It is suggested that the high percentage of initial investment recovery in one year may occur due to the low value of the capital used initially, according to several statements. Therefore, the financial resources to expand their businesses generally come from their resources or retained earnings due to “lack of credit history,” that relates to what is called the “Canadian experience” that applies to getting your first job in Canada too. As stated by one of the consulate members, employers tend to ask, “have you worked here in Canada?” If not, “I can’t hire you.” It is very difficult to get that first opportunity [...] They call it a “Canadian experience” [...] kind of standard there [...]” (RCC, personal communication, June 24, 2019).

Regarding the duration of the company, most of them stated that businesses stay open for ‘1 to 2 years’ (30.1%). Concerning the access to strategic information channels, 35.1% declared to have thought about creating a new business in Canada before leaving Brazil. We obtained information about Canada and its market through various sources such as the Canadian Consulate, Canadian government immigration websites, the Brazil-Canada Chamber of Commerce (CCBC), the Federation of Canadian-Brazilian Business (FCBB), the Brazil-Canada Chamber of Commerce (BCCC), Brazilian Citizenship Council of Ontario (CONCID), government agencies (Enterprise Toronto, for example), incubators, consultants/lawyers, in addition to direct contacts with other entrepreneurs/professionals in the city, and “survey” or “research” trips. Rules and sanctions are accessed practically through the same channels pointed out as a source of strategic information:

From the point of view of entities and bodies, the Canadian consulate and Brazil-Canada Chamber of Commerce in São Paulo are rich sources to understand the ecosystem, see data and such. The Canadian immigration website itself is very rich too [...], and outside of my experience, I had institutional clients at the bank and institutional clients in Canada (E13, personal communication, August 19, 2019).

[...] The incubator (program) helped us a lot in the process (of business development in Canada). It helped us a lot during the program’s 15-day mission, which took place in October 2018. After that, I returned to Brazil to organize the immigration process, and I returned here (Canada) in April 2019 (E33, personal communication, October 31, 2019).

On the one hand, Brazilians increasingly understand the importance of both networking and business organizations. While on the other, there is a certain discourse of ‘mistrust’ within the ethnic community itself, which, eventually, may harm business. Among other possible reasons, this may be due to the ambiguous relationship between Brazilians (Machado & Teixeira, 2016), which can be represented through some statements:

Brazilians do not know how to behave. They do not understand private space of others. So, they are very inclusive, they speak on top of others, this is frowned upon (E7, personal communication, July 30, 2019).
[...] we received the order for deportation, we had to return, after four years [...] so we had to leave, and we had to fight to get back, [...] they don’t like liars, who deceive, [...] when I decided to go back to Canada, I decided to have the Canadian mindset [...] I don’t hate Brazil, [...], but [...] (I had to) leave the bad part of (the culture) aside (E22, personal communication, September 28, 2019).

I don’t really like working with Brazilians, because they demand a lot (E14, personal communication, September 10, 2019).

FINAL CONSIDERATIONS

Regarding the configuration of Brazilian micro-enterprises and self-employment in the Greater Toronto Metropolitan Area, Canada, there is predominance of their ethnic target and tight relationship towards the Brazilian community. Besides, this paper describes the trajectory of Brazilian entrepreneurs and the barriers and opportunities found in Canada.

As mentioned before, most of them came from Brazil’s wealthiest areas and mostly declared themselves as white. The predominant age ranges went from 30 to 49. They are highly educated and have considerable language proficiency in English, unlike French, which might bring some implications for eventual mobility to the province of Québec, particularly. In addition, several of them were interested and skillful in technology, with some entrepreneurs leading startups in the IT sector. A strong ecosystem of entrepreneurship and innovation in Toronto attracts many of them to the region.

Brazilian immigrants shared a reason for leaving their country of origin, mainly due to a feeling of insecurity, therefore, seeking in Canada a better quality of living and new professional opportunities. A state of social discomfort in Brazil combines with the effectiveness of the official Canadian discourse as a “country of opportunities,” “multicultural,” with “excellent educational level,” etc. Both the push factors (for leaving Brazil) and the pull factors (that attract immigrants) seem to work as “triggers” to stay in Canada and not intend to repatriate. As for labor conditions, upon arrival, they were unfavorable, placing immigrants in a position of vulnerability, which may suggest an “impulse” to create a business out of necessity or to engage in self-employment activities.

Information is seen as fundamental to guide decision-making at any stage of their business, while networking is crucial to accessing potential customers and organizational resources. Additionally, the “warm introduction” is seen as a ‘strategy’ for accessing prospect customers, business partners, or other stakeholders. Generally, Toronto was chosen by Brazilian entrepreneurs to settle due to job opportunities and the acquaintances they have living there. Portuguese businesses in the area facilitate communication between newcomers and generates a concentration of Brazilian activity close to them. Women are more prone to starting their own business due to three aspects. First, to continue with the same career path they had in the country of origin. Second, lack of schedule flexibility while working for others, and lastly, because of their immigration status as expatriate spouses.
The research shows that most Brazilian immigrant businesses are micro-enterprises or self-employment active in the service provision sector, in various activities branches, often with strong identification to their ethnic community. Thus, cultural elements such as traditional decoration are important to attract co-ethnic customers, revealing the intertwining of culture and ethnic social capital.

Another sign of ethnic identification of most businesses related to hiring employees of Brazilian origin, ‘linguistic and cultural ease’ being relevant factors for serving their Brazilian clients, including residents and tourists. From the opportunity point of view, companies that evolve and expand their businesses face barriers to obtain bank credit, which is only overcome by social networking, “warm introductions,” or a previous Canadian work experience. Initial difficulties experienced by entrepreneurs relate to their ‘cultural adaptation’ in the broadest sense.

Moreover, while unveiling their social networking mechanisms, researchers discovered a heavy influence of their cultural and human capital embedded in these social ties. Brazilian immigrant entrepreneurs see the creation and maintenance of networks as a source of new contacts, which could eventually become potential customers. Additionally, these networks play a predominant role as a ‘support mechanism’ for businesses, considered an essential factor in facilitating economic opportunities, mainly with resources for businesses establishment and development. However, there is a discourse of “mistrust” and disunity,” which tends to weaken the possible gains arising from the increase in social capital within the Brazilian ethnic community itself.

Other contributions to practitioners and theory encompass prescribing barriers and facilitators for Brazilian immigrant entrepreneurs’ settlement in Toronto. Therefore, it seems plausible to suggest the following lines of action: 1) expanding their networks (social capital), in this case, in addition to their ethnic community; 2) develop/strengthen cultural intelligence/global mindset, including the point of view of ‘how to do business’ in Canada; 3) adapt the product and/or service to reach a wider audience, beyond the ethnic niche/enclave, without necessarily excluding it; 4) develop alternative means (cooperative, for example) of capitalization; 5) expand the level of formal education, training, and experiences (human capital), to improve business management capacity.

Lastly, for future studies on Brazilian entrepreneurship and immigration, we propose deepening the analysis by business type. Also, it is recommended to explore business cases that operate in an informal situation and study the patterns of Brazilian immigrant entrepreneurship in startup companies. Subsequently, perform an analysis based on the market orientation model and strategic decisions and conducting an in-depth analysis with gender perspective of the entrepreneurship characteristics of Brazilian women in Canada.
REFERENCES


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