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Challenges and opportunities of the COVID-19 pandemic on women entrepreneurs operating in the informal food sector: A post COVID-19 analyses

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ABSTRACT

The purpose of this study is to explore the challenges and opportunities of the COVID-19 pandemic for women entrepreneurs operating in the informal food sector. An exploratory qualitative approach is used to guide the collection and analysis of data which were collected from a sample of twenty women entrepreneurs. Verbatim transcriptions of digital recordings were analyzed thematically. The findings of the study indicate that women experienced the worst economic effects of the pandemic and faced a range of challenges, such as decreased customer base and demand, loss of income, lack of government and private support, safety and security fears, disrupted supply chains, and requirement for trading permits. Whereas the opportunities encompassed usage of digital technologies, alternative markets and new product offerings, and establishment of Informal women business networks. From the study findings, it is hence vital that policies acknowledge the importance of women and informal food vendors in the nation’s informal food system.

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Introduction

The informal sector, which was once thought of as a temporary means of coping with economic shocks, appears to be robust and has grown over time, contrary to expectations (Etim & Daramola, 2020). Matinga et al. (2018, p.2) aver that “over the last two decades, the informal economic sector outpaced the formal economy in creating economic opportunities particularly in Africa, where employment opportunities in the formal sector are scarce”. Imperatively, Bhoola and Chetty (2022) espoused that, the sector has outperformed the formal economy in creating entrepreneurial opportunities for women entrepreneurs. Due to the rapidly expanding viability of female entrepreneurship in South Africa, this study focuses particularly on female street food vendors. Many women have turned to female-owned businesses as means of survival, and the proportion of such enterprises has grown globally. Since they have access to places more formal businesses cannot, like taxi ranks, street food vendors can frequently respond to customers’ food needs better (Kazembe et al., 2019). This helps to promote food security, especially for poor urban people. They can provide customers with a variety of less expensive and more convenient food options. However, the COVID-19 pandemic and restrictions put in place to stop its spread disrupted South Africa’s food supply chains and, regrettably, increased the risk of business failure for women who work as informal food traders (Sinyolo et al., 2022). This resulted in a significant number of vulnerable women street food vendors going out of business, because their vending booths were abandoned and left vacant. Later, after informal food traders were given permission to trade, reduced foot traffic at vending locations due to mobility issues had a negative impact on informal businesses (Rwafu-Ponela et al., 2022). A chronology of COVID-19 lockdown regulations and their effects on South Africa’s informal food system is shown in Figure 1.
During the early phases of the lockdown, informal food traders were unable to evade compliance with COVID-19 containment procedures, which usually hindered their capacity to procure supplies or sell food to consumers (Rwafa-Ponela et al., 2022; Sinyolo et al., 2022). More concerning, as hinted at by Wegerif (2020), is the fact that the requirements of “informal” women traders and their significant contribution to food security were manifestly ignored when decision-makers in South Africa responded to the COVID-19 issue. This reveals a lack of understanding of the industry and deeply ingrained negative sentiments toward it. Finding any positives during a time, such as during the COVID-19 pandemic, can be challenging. However, history has demonstrated that significant disasters can act as effective catalysts for societal change (Donga et al., 2021). Besides imposing devastating consequences on informal small businesses, COVID-19 has also provided valuable business insights into how informal women food traders could cope during the pandemic. Alves et al. (2020) alluded that, while many informal small businesses have suffered due to the pandemic, COVID-19 has also forced some business owners to re-evaluate their plans to survive it. According to Eggers (2020), a crisis can be perceived as both a threat and opportunity. Yet, particularly looking at emerging economies, research on how some entrepreneurs and small business owners pursue opportunity during times of uncertainty is not fully understood. As such, this study strives to narrow this gap by examining women’s entrepreneurship within the informal food sector.

Entrepreneurs and SMMEs typically have an advantage when it comes to noticing emerging trends and rapidly reacting through opportunity recognition. Opportunity recognition usually involves combining processes, technologies or products that are ripe for entrepreneurial exploitation (Devece, Peris-Ortiz, & Rueda-Armengot, 2016). Chapman Cook and Karau (2023) espoused that, “unpredictable crises such as COVID-19 likely accentuate the role and intensity of uncertainty and place special emphasis on responsive opportunity recognition and exploitation”. Cognizant of this, women-owned small business owners have shown incredible resilience and adaptation in the face of adversity (Welsh et al., 2014). They have taken use of the opportunities presented by the pandemic's challenges, demonstrating that development and creativity are possible even in dire circumstances. Since most informal businesses were struggling to operate due to COVID-19, this unfortunate circumstance provided a unique opportunity to understand small business responses to crises and uncertainty (Behr & Storr, 2022). As such, to better comprehend the effects of COVID-19 on the informal food sector's business operations from a gender perspective, this study not only explores the challenges presented by the COVID-19 pandemic for women entrepreneurs, but also the underlying opportunities. In doing so, the focus was on women entrepreneurs operating in the informal food sector within the East London central business district. East London is a city situated on the southeastern coast of South Africa within the Buffalo City Metropolitan Municipality of the Eastern Cape Province. The purpose of this study was to address the following research questions in turn:

i. What are the challenges which emanated from the COVID-19 pandemic for women entrepreneurs operating in the informal food sector?

ii. What are the opportunities that have emerged from the COVID-19 pandemic for women entrepreneurs operating in the informal food sector?

This paper is organized as follows: following the introduction, a brief literature review is outlined, including the underpinning theory as well as an overview of women entrepreneurs and the informal sector. Thereafter, the research methodology is discussed, followed by the results and findings. Finally, the conclusions are summarized, including study limitations and recommendations for future research.

**Literature Review**

**Theoretical and Conceptual Background**

*Kirzner’s theory of entrepreneurship*

Kirzner’s theory of entrepreneurship (Kirzner, 1973), which posits that entrepreneurs play a crucial role in identifying and exploiting opportunities that arise from market disequilibrium, is the basis of the study’s theoretical argument. By being alert to their operating environment during crisis, entrepreneurs can create new products, services, and markets that drive economic growth and development (Kuckertz et al., 2020). Thus, drawing upon the Kirzner’s theory of entrepreneurship the study postulates that, women informal food traders facing the pandemic induced challenges and high levels of uncertainty on a long-term basis can still likely identify (in a [Figure 1: Timeline of significant hard lockdown measures that impacted South African informal traders; Source: Rwafa-Ponela et al. (2022)](image-url)
Kirznerian sense) opportunities to improve their circumstances through initiatives such as new product offerings, new delivery channels and new target markets (Chapman Cook & Karau, 2023). Specifically, necessity entrepreneurs whose majority are within the informal sector, especially if facing challenging conditions over a sustained period, are regarded as quick to recognize opportunities (Korsunova, Halme, Kourula, Levänen & Lima-Toivanen, 2022).

Meyer, Prashantham and Xu (2021) detail how entrepreneurs during the pandemic can utilise their ability to identify (in a Kirznerian sense) entrepreneurial opportunities. Specifically, they discuss how entrepreneurs’ resilience and innovation can facilitate new opportunities in post-COVID-19 societies. Likewise, Stephan, Zbierowsk, Pérez-Luño and Klausen (2021) explored what happened to entrepreneurs in England following the shock from COVID-19. They found that over half of the entrepreneurs surveyed agreed that there were in fact new business opportunities available during the pandemic, despite the challenges. In their study which focused on understanding pandemic entrepreneurship as a unique form of crisis entrepreneurship, Behr et al. (2022, p.313) established that, “different types of crises (like a pandemic or a disaster) change the conditions confronting entrepreneurs and, in so doing, change the nature of the cognitive space that they must navigate, the constraints entrepreneurs face, and the specific (crisis-related) challenges they must overcome”. Cognizant of this, the current study advances that, it is through the process of striving to overcoming the Covid-19 challenges that it became necessary for the informal women food traders to identify prevailing opportunities. Thus, applying Kirzner’s theory of entrepreneurship, we aim to apprehend the lived experiences of women’s informal food traders to holistically understand the challenges and opportunities they faced during the COVID-19 pandemic.

Empirical Review

Women and the informal sector

Due to the increased viability of female entrepreneurship in emerging economies, this study focuses on female street food vendors (Welsh et al., 2014). Many women have turned to the informal sector as a means of survival and the proportion of such enterprises has grown globally. According to Geldenhuys (2021), as the informal sector does not require much startup capital, women find it simple to enter the informal sector and use it as a means of survival. Research has found that entrepreneurial women power to take charge of their personal lives (Chinomona & Maziriri, 2015). The amount of international research on the growth of female entrepreneurship has also expanded significantly, highlighting the fact that South African women continue to trail behind the rest of the world in terms of the proportion of female entrepreneurs. Although women account for 52% of the population of South Africa, they continue to face discrimination due to historical issues of race, such as poverty, which has also contributed to high rates of illiteracy and a lack of entrepreneurial expertise and abilities among women, hindering their success (Bhoola & Chetty, 2022). Many South African women lack information, training, skills, financial resources, and other resources related to business management. Street vending has consequently evolved into a means of subsistence and their sole source of revenue (Mulaudzi & Schachtebeck, 2022). The strain to sustain extended families and the preponderance of single female-headed homes in South Africa currently make their need for a living even more pressing. The patriarchal traditions of Afrocentric civilizations have further ingrained this. Women’s challenges as individuals are doubled by the gender-specific responsibilities of parenting and housekeeping in addition to their entrepreneurship (Chinomona & Maziriri, 2015). The nature and scale of the “informal” food sector

The informal food economy is crucial for food security and employment, especially for women, in the global South. The same in South Africa. Skinner and Watson (2021) state that informal food retailers make up about 42% of all retailers. Certain product categories, most notably fresh vegetables, are dominated by informal distribution. For instance, the City Deep wholesale market in Johannesburg sells more than half of its fresh produce to unlicensed vendors who typically charge half to a third of what supermarkets charge for the identical items (Wegerif, 2020). Skinner and Watson (2021, p.2) argues that “although more households purchase food at supermarkets, the majority of households only patronize supermarkets once a month, which could be a function of lack of accessibility or because supermarkets are used to purchase certain kinds of staple items in bulk or because households only have sufficient disposable income to patronize supermarkets on paydays.” Most households buy food from informal vendors on a weekly or daily basis, which is due in part to their accessibility but also to the fact that they sell foods in more manageable, more reasonable quantities. Many businesses also let customers purchase on credit.

In accordance with Skinner and Haysom (2016), household food-security surveys consistently demonstrate that low-income households frequently purchase food from the informal market. The likelihood that a household will obtain food from informal suppliers increases with household income. This is due to their inconsistent income, frequent storage and refrigeration space shortages, and reliance on taxis or public transportation, all of which reduce the amount of food they can purchase (Mahopo et al., 2023). When the health recommendation is to “stay at home,” informal food outlets may have a significant influence due to their widespread distribution throughout low-income settlements (Skinner & Watson, 2021).

Research and Methodology

Participants

Twenty female informal food vendors in total took part in the study. The researchers stopped interviewing further participants at the moment of data saturation since there was too much information already available. According to the researchers’ judgement and prior
knowledge of qualitative investigations, this assessment of data adequacy was made (Rwafa-Ponela et al., 2022). In qualitative investigations, the recruitment of a comparatively lower number of participants is acceptable. Patton (2023, p.247) proffers that “qualitative sample sizes are considered adequate when they satisfy the following parameters: being large enough to enhance rich insights and small enough for an in-depth inquiry of the phenomenon under study”. The study’s primary focus was mainly on street informal food trading. The participants voluntarily participated through a combination of purposive sampling involving the selection of specific sub-populations or contexts (female informal food traders) and convenient sampling due to time and budget constraints by targeting places with high foot traffic such taxi ranks, and shop pavements. Through merging the two approaches, we sought to lessen the influence of bias and boost the general dependability of the research results. The inclusion criteria for this study were that the informal food traders had to be female and above the age of 18 years. Furthermore, they had to be operating in the informal food sector within the East London central business district. Table 1 provides a summary of the participant’s demographic information.

**Table 1: Sample profile of respondents (n=20)**

<table>
<thead>
<tr>
<th>Participant</th>
<th>Food sold</th>
<th>Marriage status</th>
<th>Age</th>
<th>Nationality</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Fresh fruits</td>
<td>Married</td>
<td>36</td>
<td>Zimbabwean</td>
</tr>
<tr>
<td>2</td>
<td>Cooked food</td>
<td>Married</td>
<td>39</td>
<td>South African</td>
</tr>
<tr>
<td>3</td>
<td>Hot dogs and smoked Russians</td>
<td>Divorced</td>
<td>25</td>
<td>South African</td>
</tr>
<tr>
<td>4</td>
<td>Vegetables</td>
<td>Single parent</td>
<td>23</td>
<td>Zimbabwean</td>
</tr>
<tr>
<td>5</td>
<td>Snacks</td>
<td>Married</td>
<td>55</td>
<td>South African</td>
</tr>
<tr>
<td>6</td>
<td>Vegetables</td>
<td>Single</td>
<td>28</td>
<td>South Africa</td>
</tr>
<tr>
<td>7</td>
<td>Hotdogs and muffins</td>
<td>Single</td>
<td>20</td>
<td>South African</td>
</tr>
<tr>
<td>8</td>
<td>Vegetables</td>
<td>Married</td>
<td>33</td>
<td>South African</td>
</tr>
<tr>
<td>9</td>
<td>Cooked food</td>
<td>Single</td>
<td>27</td>
<td>South African</td>
</tr>
<tr>
<td>10</td>
<td>Fruit and Vegetables</td>
<td>Married</td>
<td>44</td>
<td>Zambian</td>
</tr>
<tr>
<td>11</td>
<td>Vegetables</td>
<td>Widowed</td>
<td>43</td>
<td>Lesotho</td>
</tr>
<tr>
<td>12</td>
<td>Fruits and vegetables</td>
<td>Divorced</td>
<td>36</td>
<td>South African</td>
</tr>
<tr>
<td>13</td>
<td>Snacks</td>
<td>Married</td>
<td>39</td>
<td>South African</td>
</tr>
<tr>
<td>14</td>
<td>vegetables</td>
<td>Single parent</td>
<td>24</td>
<td>South African</td>
</tr>
<tr>
<td>15</td>
<td>Fruits and Vegetables</td>
<td>Married</td>
<td>62</td>
<td>South African</td>
</tr>
<tr>
<td>16</td>
<td>Fruit and vegetables</td>
<td>Single parent</td>
<td>33</td>
<td>South African</td>
</tr>
<tr>
<td>17</td>
<td>Scorns</td>
<td>Single</td>
<td>23</td>
<td>South African</td>
</tr>
<tr>
<td>18</td>
<td>Cooked food</td>
<td>Married</td>
<td>57</td>
<td>South African</td>
</tr>
<tr>
<td>19</td>
<td>Hot dogs</td>
<td>Single mother</td>
<td>28</td>
<td>Malawi</td>
</tr>
<tr>
<td>20</td>
<td>Cooked food</td>
<td>Married</td>
<td>25</td>
<td>South Africa</td>
</tr>
</tbody>
</table>

**Source:** Authors

**Procedures**

All study procedures conformed to the University of Fort Hare Research Ethics Policy and were approved by the University’s Research Ethics Committee (Project Number: DON001- 22). Participants were fully informed about the research question, the advantages of the study, the format and method of data collection, and the confidentiality policies before data collection began. Participants were then given the chance to ask questions and were asked to verbally consent to participate before the interviews began if they were interested in taking part. The interview was planned at the convenience of the participants once informed consent had been given. After obtaining the entire study information, a few participants decided not to participate in the interviews, primarily owing to a lack of time. To aid with participant eligibility screening and data collection through semi-structured qualitative interviews, a research assistant was hired. The semi-structured interviews (see Table 2) included a series of open-ended questions to better explore the problems and opportunities that participants’ informal small food enterprises received from the COVID-19 lockdown. The interviews lasted 20 to 30 minutes each. All interviews took place in the months of February and March of 2023.

**Table 2: Semi-structured interview guide extract.**

<table>
<thead>
<tr>
<th>Questions</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Reflecting on your experience of the COVID-19 lockdown what are the major challenges you experienced as a female informal trader operating in the informal food sector?</td>
</tr>
<tr>
<td>3. Again, reflecting on your experience of the Covid-19 lockdown what opportunities do you consider emanating from the COVID 19 as a female informal trader operating in the food sector?</td>
</tr>
<tr>
<td>4. What future ambitions do you have for your company given your COVID-19 pandemic experience?</td>
</tr>
</tbody>
</table>

**Source:** Authors
Data analysis

The verbatim transcriptions of the digital recordings were followed by an inductive thematic analysis of the data (Feenstra et al., 2023). Firstly, the initialization part of the analysis procedure required the researchers to become familiar with the data by reading and rereading the transcripts to draw meaning, and after that they developed preliminary codes. The amount of raw data was then reduced to that which is pertinent to the study issue by coding, which also divided the data into manageable chunks and guided the researchers through the transformation of raw data (Abeysiriwardana et al., 2022). The last stage of the initialization phase in line with Donga et al. (2021, p.4) “involves writing reflective notes, a process which allows researchers to remain faithful to participants’ perspectives and improve the validity of theme development. After the completion of coding, theme generation commenced by categorizing different codes into related clusters.” The themes were then assigned names and clear definitions to make sense of the fundamental ideas that emerged from them. The classification of all the defined themes was then verified by comparing them to the original transcript. The final analysis and writing up of the results were done after that. This last stage entailed a comprehensive written commentary that described and made connections between different themes and participant quotations. The main goal of the study was also addressed during the finalization phase.

Findings and Discussions

Findings

The results from the study are outlined in the subsequent sections, commencing with the challenges emanating from the COVID-19 pandemic for women operating in the informal food sector.

Challenges

Six narratives emerged in the analysis of the challenges which emanated from the COVID-19 pandemic for women entrepreneurs operating in the informal food sector: Decreased Customer Base and Demand, Loss of income, Lack of government and private support, Safety and security fears, Disrupted supply chains, and Requirement for trading permits. We present these narratives in the following sections.

Decreased Customer Base and Demand

Some informal traders explained how previously active and packed sites, such as taxi ranks, which served as a center for informal economic activity, suddenly remained empty. Due to COVID-19 limitations on mobility and social distance protocols, there was less human movement which decreased demand. This is highlighted by the responses below.

“Even in May 2020 when it was much easier to trade you could just have less customers here at the taxi tank which is normally busy with people. Due to the movement restrictions people were not travelling frequently and it affected the demand of my fruits (P1, 36 years old, Fresh fruits vendor).”

“Before COVID we could make a living as demand was high unlike during the lockdown . . . places where people could be crowded before COVID were empty during lockdown (P3, 25 years old, Hot dogs and Smoked Russians vendor).”

The general population’s increasing unemployment because of COVID-19 further lowered purchasing power among frequent customers of informal food vendors, which further decreased the demand for food:

“Our customers were increasingly losing their source of employment. It won’t be easy to match the high demand we had before COVID (P2, 39 years, cooked food vendor).”

Loss of income

The concern of lost income during the COVID-19 lockdown was a recurring theme in the responses that the participants recognized as an important challenge resulting from the COVID-19 pandemic for women entrepreneurs operating in the informal food industry. Participants stated that because informal traders heavily relied on the sale of food to survive, the cumulative effect of COVID-19 restrictions on them was a loss of income. The extracts shown below illustrate this:

“You know what, I would not want to lie man this business is all I have got as I rely on it for my family’s daily survival. With the coming of COVID-19 pandemic I was left with no money (sighs). I am thankful I still live in my mother’s house, otherwise I wouldn’t have afforded money for rent (P3, 25 years old, Hot dogs and smoked Russians vendor).”

“The problem with operating unlicensed business is that in times of hardships such as COVID-19 we are left with no income at all as you hardly get any customers. We rely on the crowds (laughs) so with the lockdown You don’t even know who you can consult for support (P1, 36 years old, Fresh fruits vendor).”

Some participants emphasized on how women in the informal sector were affected in terms of loss of income more than their male counterparts:
“Hmm with this pandemic, things have not been well with me as I have been dependent on my income from selling cooked food close to the University...When the movement restrictions were introduced, I lost my customers, and it affected me financially. I don’t know but I just think as women we were greatly affected” (P9, 27 years, cooked food vendor).”

Participant 1 also further noted how inconsistencies in the application of law regarding the list of essential goods which were allowed to be sold during the lockdown period affected informal food traders’ ability to make income. She avers:

“Despite fruits falling under essential goods we, as informal traders were stopped from operating particularly in the early days of lockdown and lost a greater part of our income. (P1, 36 years old, Fresh fruits vendor).”

Lack of government and private support

As the world grappled with devastating economic consequences of the pandemic on small businesses, both governmental and private support became key in cushioning against the shocks particularly in developing economies. For instance, the South African government introduced various support measures which aimed at assisting small businesses which were negatively affected, directly or indirectly, due to the Coronavirus pandemic to keep them afloat. However, participants were all in agreement that the government showed a pervasive lack of support for women operating in the informal economy, notably in South Africa's food sector. These responses below serve as an excellent illustration:

“As a female informal trader operating in the food sector, the pandemic proved that the ruling party doesn’t care about our concerns...not a single time did I heard the president addressing women informal entrepreneurs’ challenges during his famous television addresses during lockdown (P5, 55 years old, Snacks vendor).”

“The government tends to undermine us regarding support which seemed to favour established businesses. I don’t know if they are not aware or what, but they ignored our roles as food traders (P7, 20 years, Hotdogs, and muffins vendor).”

Pertaining to government support one participant touched on the issue of government financial assistance through small business COVID-19 relief packages. Specifically, the participant noted how informal small businesses were excluded by the government in terms of access to the relief packages:

“When I heard of the COVID-19 relief packages I honestly thought we would also benefit as struggling informal food traders, but I am not even sure if the money was genuinely available because I don’t know of anyone who got the package. So yes, it was challenging to get any financial help from our government (P3, 25 years, Hot dogs and smoked Russians).”

Whereas most participants raised their concerns pertaining to the lack of government support for informal women traders operating in the informal sector during the lockdown, one informal trader expressed lack of support from the private sector as well:

“My friend advised that I should go to Freedom Financial Services here in town, but I was told I didn’t qualify to get a loan as my business was risky...so I just decided to rely on the little I had for my business to continue operating during the lockdown (P11, 43 years, Vegetables vendor).”

Harassment and Corruption by Law Enforcers

During lockdown, the government deployed special forces countrywide meant to enforce lockdown. However, as allayed by some participants they ended up being subjected to harassment from the police and treated with hostility by the government. As a result, the informal traders operated in fear:

“Our government does not take us seriously (sighs) you know it was more like it was fighting us during lockdown. We were now conducting business in fear during lockdown as we constantly faced harassment from the police, maybe they don’t care about us (Participant 13, 39 years, Snacks vendor).”

The harassment included confiscation of goods and corruption as several participants highlighted extortion by law enforcement officers:

“It was so difficult, especially for us women traders. Some security forces for instance took advantage of the situation. They harassed us, asked for bribes, and even took our products (P15, 62 years, Fruits and Vegetables vendor).”

“All they did was to harass us and take our money or our stock – they never arrested you. If you did not have enough money, they took the stock and I suspect they sold it or even fed their families (laughs) (P19, 28 years, Hotdogs vendor).”

Disrupted supply chains

Disrupted supply chains form a topic that arose from the data and surfaced as a challenge for women entrepreneurs working in the informal food sector because of the COVID-19 outbreak. Participants had this to say:

“If you look at my fruits, they are very fresh. This is because I stock almost daily mainly from the Fresh Produce Market. During the lockdown, the deliveries were no longer reliable as our delivery guy had no operating permit (P15, 62 years, Fruit and vegetables vendor).”
It was tough to get a regular supply of the flour I use for baking these scones. I don’t just use any flour as I rely on the cheap and bulky, we source directly from millers. Tiger Milling, the one I depend on at some point, closed for about three weeks (P17, 23 years old, Scones vendor).

The lockdown restrictions had implications on pricing of products as well as delivery costs which contributed to the disruption to the supply chains. Participant 17 further recounted challenges faced:

..., I just had to temporarily stop making orders because the suppliers were now charging more charging more. There is no way I was going to manage the almost 50 percent increase in delivery costs that I had to incur. Even the prices for my orders increased too (P17, 23 years old, Scones vendor).

Requirement for trading permits

Depending on the type of food they offered, street vendors were progressively allowed back on the streets as the lockdown restrictions were relaxed and the emergency alert levels changed. Informal dealers were allowed to carry on with their operations, subject to obtaining a COVID-19-specific trade permission. For informal food vendors, however, obtaining COVID-19 trading permits was extremely difficult:

It was challenging to acquire the required trading permits. I went there three times, and the queues were very long so I ended up giving up. I wish they could have taken our numbers so they can call those who came the day before (P11, 43 years, Vegetable vendor).

Another difficulty was the perceived lack of knowledge about the permit system:

I just feel like not enough was done to inform us on the process of acquiring the trading permits. When I went to process my permit, I was informed only upon submission that I had applied for a wrong permit category. It was so frustrating as I had spent almost four hours on the queue (P13, 39 years old, Snacks vendor).

Opportunities

Following the exploration and sense making of the challenges faced by the informal woman food traders during the lockdown period, the study as earlier stated further gained insights into the business opportunities that participants considered were a result of the lockdown period. Consequently, three themes emerged in the analysis of opportunities which emanated from the COVID-19 pandemic for women entrepreneurs operating in the informal food sector: usage of digital technologies, alternative markets, and new product offerings, as well as informal women business networks. These themes are presented in the following sections.

Usage of digital technologies

Participants noted that because of the lockdown they had resorted to integrating digital technology, particularly social media for either advertising their wares or finding clients. The popular social media platforms that were cited by the respondents include Facebook, Instagram, and WhatsApp. This is highlighted by the responses below.

I tried to be relevant, and my daughter helped me post more about my scones business to social media such as Facebook, Instagram or WhatsApp, something that I was not doing before the pandemic. I was just trying to get my name out there since during lockdown, everyone was online a lot. Although the revenue was not very high, it was better (P17, 23 years, Scones vendor).

The WhatsApp platform saved me as I had to sell my hot dogs in my neighborhood (P19, 28 years, Hotdogs vendor).

The participant further added how it became easier to conduct local deliveries using location pins via WhatsApp:

Local residents placed orders via WhatsApp and my two sons had to deliver to people’s homes with their bicycles and using pin locations (P9, 27 years, Cooked food vendor).

In addition, participants also highlighted their intentions of continuing with online advertising despite their business operations having returned to normal. They had this to say:

I never had any idea of Facebook marketplace until lockdown when my friend told me about it around May, I think. The lockdown was still in place, but trading was much easier. Fortunately, with my small Buckie I could deliver my fruits to some customers. Even if the situation has normalized now, I haven’t stopped advertising on Facebook marketplace as it is a great platform for advertising (P1, 36 years old, Fresh fruits vendor).

..., If I continue to sell my items on social media, the online market will be a significant market for us (P5, 55 years old, Snacks vendor).

Alternative markets and new product offerings

The COVID-19 lockdown caused the informal food traders to re-examine and refocus their strategy to survive as evident by the participants’ sentiments. Specifically, the respondents revealed how they had to offer new products as well as establish alternative customers to copy during the pandemic. A few participants stated the following:
“During the first days of hard lockdown only fruit vendors could trade without harassment from police. I had to start selling Bananas and as you can see, I am still having a few bananas now at my stall although I concentrate much on scones (P17, 23 years old, Scones vendor).”

“I just realized I had a good opportunity too at home since I had to sell my hot dogs within my neighborhood. During weekends, ever since lockdown I don’t normally operate here in town as I will be in the township at the tavern (P19, 28 years, Hotdogs vendor).”

“Through Facebook marketplace and my WhatsApp status I now have online customers for my fresh fruits (P15, 62 years, Fruits and Vegetables vendor).”

It is clear from one participants’ sentiment that informal women food traders are mainly survivalist entrepreneurs. Given that the sale of alcohol was prohibited during greater part of the lockdown, she saw it as a market opportunity for her business to survive and added it to her product range although she was aware that it was illegal. She explained:

“Uhm! It was tough during lockdown. Opportunity (laughs) this is funny but I had a side hustle here of selling alcohol mostly to the taxi drivers apart from my fruits...So yes that would be the only opportunity although it was not allowed. These streets taught me survival skills (chuckles) (P11, 43 years, Vegetables vendor).”

Establishment of Informal women business networks

During the COVID-19 pandemic, women's networks have offered an unparalleled infrastructure of support. Nevertheless, during the epidemic, women’s networks and groups offered a considered response to pervasive, frequently historical problems, some of which are already discussed in this paper. The first participant described how she decided to hold weekly virtual meetings with other women entrepreneurs to exchange information and see how others were coping during the lockdown.

“WhatsApp became our major source of communication, especially some weeks when it was difficult to travel here in town. So, we used the platform to communicate remotely and often had weekly meetings online. We lost some of our members due to COVID-19 so it was always necessary to check up on each other (P1, 36 years old, Fresh fruits vendor).”

Other participants indicated how the lockdown experience led them into forming networks to strategize on ways to deal with the pandemic and how it led to cohesion among the informal traders. They narrated:

“We have kept in touch frequently while we looked for strategies to survive the pandemic. Because we created a network of informal vendors during the lockdown, the whole thing has brought us closer than in the past (P2, 39 years, cooked food vendor).”

“I would say during COVID we had to rely on each other as a team to cope. For instance, before I could sometimes source my own delivery person but during lockdown it was difficult, but as a team we managed (P8, 33 years, Vegetables vendor).”

Participant 8 (preschool owner) highlighted how the informal networks enabled them to engage in pooling of funds through Stokvel. This is illustrated below:

“Through our networks we also managed to start a Stokvel which we are still doing until this day (P13, 39 years old, Snacks vendor).”

Discussion

This paper details the challenges and opportunities that South Africa's lockdown regulations, which were enacted in response to COVID-19 in urban areas, have presented to women who work as informal food vendors. The analysis highlighted six themes related to the challenges faced by women informal food vendors: decreased customer base and demand, loss of income, lack of government and private support, safety and security fears, disrupted supply chains, and requirement for trading permits. Whereas participants also noted some opportunities emanating from the COVID-19 lockdown. Specifically, the women informal trader’s responses show the importance of usage of digital technologies, alternative markets as well as new product offerings, and establishment of informal women business networks.

There is evidence of lower consumer expenditure and demand for informal food traders during the pandemic, according to the respondents who took part in the study and gave their opinions. Gupta, Simon, and Wing (2020) reported that when mandated movement restrictions started to help slow the spread of the virus, consumer spending habits changed drastically. In particular, as the general income of most urban poor consumers decreased and unemployment increased, consumers who mostly relied on the informal food sector had to cut back on their spending which severely affected demand (Clara, 2020). This had a significant impact on the traders’ income as reported in the study. In support, Ding et al., (2021) aver that; when trade is disrupted by the COVID-19 epidemic, women are more likely to suffer than males. The fact that more women work in industries that have been particularly hard-hit by the epidemic is one of the explanations offered for this by Odeku (2020). This is substantiated by Kaberia and Muahe’s (2021) claim that the pandemic’s consequences on revenue creation are escalating current vulnerabilities, especially for informal women business owners.

As highlighted in the results, the requirement of procuring a trade permit to trade was noted as another challenge by the informal food traders. Bamu and Marchiori (2020, p.10) reported that, “In South Africa, local municipalities frustrated national regulations that allowed informal food trade because they failed to devise appropriate permitting systems, struggled to identify existing traders
in their jurisdictions, and could not cope with high volumes of applicants”. In support a study by Wegerif (2020) notes that, despite some informal traders getting permits and starting operation, some local authorities struggled to come up with a plan during a crisis because they lacked a permitting mechanism. In fact, some municipalities were so overburdened that they were unable to locate the unregistered informal traders who had been operating prior to the lock down, while others imposed excessively onerous regulations that had a negative impact on unregistered food traders and food security particularly for the urban poor consumers. Following Wegerif’s (2020) investigation, despite having permits, security forces have harassed and detained food vendors. This finding is in line with that of the current study as harassment and corruption by law enforcement agents emerged as another challenge which affected informal traders during the pandemic. The result is consistent with the widespread news reports during the lockdown of nation-wide crackdown on food vendors, with police officers raiding food stalls and destroying stock (Ndebele & Matimaire, 2020). The trend has also been prevalent during COVID-19 in most African countries (Aborisade, 2022; Gumbo, 2020). In fact, Bhoola and Chetty (2022) reported that police harassment of vendors was widespread and that the South African Police Services were found to be continuously harassing one in two street vendors. Harassment by security forces as allayed by the study results allowed an opportunity for the forces to be corrupt mostly in the form of soliciting for bribes as well as confiscation of the informal trader’s stock. This does not come as a shock as there have been widespread reports of corruption by security personnel even before the lockdown pandemic.

It is estimated that a sizable share of the nation’s overall food supply is distributed through informal markets and vending locations, which constitute an important component of the food supply chain. Nevertheless, it is worrisome to note that due to the country’s lockdown restrictions as evident by the study finding there was an acute disruption to the food supply chain. This had a negative economic impact on women informal traders. In support of this finding, Thilmany et al. (2021), states that the food supply chain has been disrupted because of the nationwide lockdown, which forced the closure of mass markets and vending locations to stop the spread of COVID-19. This poses a serious threat to both the livelihoods of informal traders and the security of the nation’s food supply. Asante and Mills (2020) mention that when informal food dealers were forced to close, there was little government financial or economic support offered, which made the situation worse. This lack of both government and private support was noted by participants as another challenge which affected their business operations, and it is discussed in the subsequent paragraph.

As evident by the study findings, chances are high that less support mechanisms are implemented by the government to foster the growth of the informal sector in South Africa even in times of crisis. This has been proven by a study by Rwafa-Ponela et al. (2022), which found that participants were in complete agreement that the South African government had a pervasive lack of understanding for the crucial role that, informal traders played in the economy during the pandemic, particularly in the food sector. Regulations like the ban on eating on-site, for example, had negative effects on informal food vendors that mostly sold cooked meals. Being classified as a non-essential service was a significant obstacle that informal food traders encountered because of government actions that had an impact on the sector, particularly during the hard lockdown period (Sinyolo et al., 2022). As a result, criticism was levelled at the South African government for leaving out the informal economy from the list of essential services. A common social grievance was that, despite providing services on a local level, some segments of the informal economy, such as vendors on the streets selling food, provide the exact same services as huge enterprises.

Despite challenges, some informal traders were able to adapt to the COVID-19 lockdown’s disruptions. In comparison to the formal sector, the informal sector is thought to be more agile (Etim & Daramola, 2020). It is also thought to act as a shock absorber or buffer for persons who lose their official jobs or face other financial difficulties (Blanton & Peksen, 2021). Women who work as informal traders were put to the test by the COVID-19 pandemic and its lockdown measures. By taking advantage of the opportunities created by the COVID-19 experience, some informal traders showed considerable agility and could continue operating throughout the lockdown. For instance, to overcome the decreasing customer base and demand in the market during lockdown, some informal traders as evident by the results of the study resorted to social media marketing through platforms such as Facebook, Instagram, and WhatsApp. According to Chandra et al. (2022) e-commerce solutions have functionalities that allow business continuity despite COVID-19 restrictions, such as the restrictions for informal traders accessing their marketplace stalls. For example, Thanh et al. (2022) observed that many informal traders and other small businesses were using social media podiums like YouTube, Twitter, Facebook, and Instagram at a time when these vendors had been taken off the streets due to COVID-19 restrictions.

Other informal women food traders explored alternative markets as well as new product offerings to protect their informal sector from the terrible effects of the COVID 19 pandemic. In support, Purnomo et al. (2021) found that in times of crisis small businesses may also take the “acquire new capabilities” strategy, through for instance offering and developing new products despite facing some constraints. Whereas Forbes (2020) advises that with industries seeing closures during periods of crisis, the time is ripe for entrepreneurs to enter a new market thus supporting the study findings. The report further states that entrepreneurs should increase their opportunity-seeking awareness and commit to believing that there are abundant chances available to them throughout economic downturns. Last, establishment of informal women business networks in the food sector was cited as an opportunity that enabled the food traders to copy during the pandemic. Informal networks according to Kiptoo (2020) enable informal entrepreneurs to combine and utilize available resources, which may include social capital through their networks, and the utilization of their human capital by applying resilience strategies to copy during pandemics. Contrarily, less effective mechanisms were shown in some nations like Nigeria and Uganda, where people turned to loan sharks for money to make up for a lack of income and enable the restocking of food items for informal traders (Rwafa-Ponela et al., 2022). The opportunities emanating from the study contributes to literature by
Conclusions

The COVID-19 pandemic has highlighted the significance of urban food security as well as the crucial role that the country's female-run informal food industry plays. As a key source of income for the largely vulnerable informal women traders, insensitive lockdown regulations succeeded in stifling the informal sector. For instance, several challenges affecting women informal food traders as evident by the study findings emerged which include decreased customer base and demand, loss of income, lack of government and private support, safety and security fears, disrupted supply chains, and requirement for trading permits. However, the COVID-19 situation has created a window of opportunity for planning and policy reforms that were long overdue and that would have moved the informal sector in the direction of better sustainability and equity. Furthermore, despite the challenges raised in the study, the COVID-19 lockdown also afforded some opportunities for the informal women traders such as usage of digital technologies, alternative markets and new product offerings, and the establishment of informal women business networks.

Implications for theory

In recent years, research on female entrepreneurship has expanded at an accelerated rate. Considering the COVID-19 pandemic, women's entrepreneurship in emerging economies is an area that requires study attention (Afshan, Shahid & Tunio, 2021). Theoretically, this paper is envisaged to provide an alternative perspective on women entrepreneurship by advocating for informal women entrepreneurship research in time of crisis within the South African context. Specifically, this study contributes to three topics of increasing interest in academia: (1) Women entrepreneurship (WE); (2) the increasing importance of the informal economy in emerging markets (Horvath, 2018) with a particular focus on the South African context and (3) the challenges of running a business during crises such as the COVID-19 pandemic. Furthermore, by addressing gender-specific concerns, influencing policy, showcasing resilience, and offering insights into a crucial part of women entrepreneurship that has frequently been ignored in research, the current study adds to the scholarly body. Ultimately, this can aid in the development of more inclusive and successful plans for assisting women informal business entrepreneurs in times of crisis. This study originality arises from its contribution to filling the gap on the field of women entrepreneurship within an emerging economy’s informal sector and particularly the under-researched yet increasingly important research area on entrepreneurship during crisis such as the COVID-19 pandemic.

Implications for policy and practice

The results of this study have some implications for the informal retail sector and women entrepreneurs. The informal food retail industry is a significant part of the food system, meeting the needs of the urban poor and giving marginalized people a place to work. Informal retail in the food supply chain is neglected by policy frameworks intended to address food security and manage the informal sector, and as a result, the sector is poorly understood. Thus, to adequately address local food security needs, it is crucial to view the formal and informal food sectors as components of the same food system and to develop policy and planning responses that promote recognition of the role of informal food traders, particularly women, in the nation's informal-food system. Additionally, the COVID-19 crisis presents the government with a once-in-a-lifetime chance to re-evaluate current policies and concentrate on actions that will benefit informal small businesses in times of crisis. Findings from the study highlights the imperativeness of the South African government to develop a permanent robust pandemic preparedness strategy for responding to future pandemics, reinforced by clear plans at both provincial and national levels. The pandemic is an exogenous shock big enough to make policymakers realize that if they do not address informality now, the consequences will be genuinely catastrophic in the long run. To put it another way, we anticipate that the economic crisis brought on by the pandemic will significantly worsen poverty rates if policymakers do not act in the best interests of women entrepreneurs in the informal sector.

limitations and directions for future research

While the study shows interesting results, it also has some limitations. For instance, the study was conducted during a specific period and focused on a specific issue, which may limit the applicability of the findings to other issues or time periods. Second, we stopped interviewing further participants at the moment of data saturation since there was already too much information available. It is however possible that additional interviews with different types of participants could have yielded different results or insights. It is also important to point out that the used mix of convenience and purposive sampling techniques may have hampered the selection of a real representation of the study population. In addition, the study was only conducted in one city which might affect generalizability of the study findings. As a result, it appears that a future longitudinal study is necessary to comprehensively examine the study phenomenon, using several cities throughout South Africa's nine provinces. Finally, the study's qualitative analysis was mostly focused on the informal food industry, which restricted the researchers’ capacity to compare various industries. Therefore, the paper recommends that future research on some pandemic-driven crises gather understanding from opposing sectors, such as the food vs. clothes or tourism vs. manufacturing. Last the study only used interviews for data collection which has the potential for social desirability bias. Thus, future studies would need to use a mixed method approach for a more nuanced and comprehensive understanding of the research topic.
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