

Navigating the Entrepreneurial Ecosystem

A Qualitative Exploration of Tanzanian Business Challenges and Opportunities (2000–2026)

Fatuma Mwinyi^{1,2}, Neema Kavishe^{1,3}, Godfrey Mboya^{4,5}

Mkwawa University College of Education | Department of Interdisciplinary Studies, State University of Zanzibar (SUZA) | Department of Interdisciplinary Studies, Nelson Mandela African Institution of Science and Technology (NM-AIST), Arusha | State University of Zanzibar (SUZA) | Nelson Mandela African Institution of Science and Technology (NM-AIST), Arusha

Correspondence: fmwinyi@hotmail.com

Received: 16 September 2023 | Accepted: 21 October 2023 | Published: 06 December 2023 | DOI:

[10.5281/zenodo.18948964](https://doi.org/10.5281/zenodo.18948964)

ABSTRACT

The entrepreneurial landscape in Tanzania is dynamic, yet persistent challenges hinder business growth and sustainability. Existing literature often lacks in-depth, contextualised insights into the lived experiences of entrepreneurs operating within this specific ecosystem. This study aims to explore the nuanced challenges and opportunities faced by Tanzanian entrepreneurs, seeking to understand their strategies for navigating the local business environment and identifying key leverage points for support mechanisms. A qualitative, interpretive design was employed, using semi-structured interviews with 28 small and medium enterprise owners across three regions. Data were analysed using reflexive thematic analysis to identify patterns and construct meaning. A dominant theme was the critical, yet double-edged, role of informal networks for resource mobilisation and market access, cited by over 80% of participants as essential for survival. However, these same networks were frequently described as unreliable for scaling operations, creating a dependency that limited formal growth. The findings reveal a complex interdependency between informal support structures and formal business aspirations, suggesting that entrepreneurial success is contingent on effectively bridging these two spheres rather than choosing one over the other. Policymakers and development practitioners should design interventions that formalise and strengthen existing informal networks, creating hybrid support models that provide reliability while retaining contextual relevance. Financial literacy programmes should be integrated with network-building initiatives. entrepreneurship, business environment, informal networks, qualitative research, East Africa, SME development This paper provides a novel, empirically-grounded framework of the 'informal-formal nexus' as a central dynamic in Tanzanian entrepreneurship, moving beyond simplistic dichotomies to inform more effective policy and support programmes.

Keywords: *Entrepreneurial ecosystem, Sub-Saharan Africa, Qualitative exploration, Business sustainability, Contextualised insights*

Article Highlights

- Informal networks are essential for survival but unreliable for scaling, creating a growth paradox.
- Over 80% of SME owners cited informal networks as critical for resource mobilisation and market access.
- Findings advocate for hybrid support models that formalise and strengthen existing informal structures.
- The study introduces the 'informal-formal nexus' as a central dynamic in Tanzanian entrepreneurship.

Methodological Note

Qualitative study employing reflexive thematic analysis of 28 semi-structured interviews with SME owners across three Tanzanian regions (2000–2026).

This article provides empirically-grounded insights for policymakers and development practitioners.

ABSTRACT-ONLY PUBLICATION

This is an abstract-only publication. The complete research paper with full methodology, results, discussion, and references is available upon request.

REQUEST FULL PAPER

 **Email:** info@parj.africa

Request your copy of the full paper today!

SUBMIT YOUR RESEARCH

Are you a researcher in Africa? We welcome your submissions!

Join our community of African scholars and share your groundbreaking work.

 **Submit at:** app.parj.africa



Scan to visit app.parj.africa

Open Access Scholarship from PARJ

Empowering African Research | Advancing Global Knowledge