

MAHLATSE VICTOR SETHWANA^a, TAKALANI RAMUKUMBA^b

Government Support for Rural Tourism SMMEs: The Case of Greater Letaba Municipality in South Africa

Abstract. Small, medium, and micro enterprises (SMMEs) are major contributors to economic growth and development. While SMMEs play a crucial role in driving economic growth in advanced economies, they have a high failure rate in South Africa, especially during the start-up and growth phases. This study investigates the role of government support in the development and growth of SMMEs in South Africa. Its results indicate that despite government support schemes and initiatives, the failure rate of SMMEs remains high. The main challenges faced by the SMME sector include the large number of regulations, which limit the scope of operation and can pose a threat to survival. The main conclusions point to the information deficit and needs analysis that would tailor-make and accommodate the specific requirements of different enterprises.

Keywords: SMMEs, government support services, entrepreneurship, financial support, marketing support

Article history. Submitted 2024-11-08. Accepted 2024-11-24. Published 2025-01-22.

1. Introduction

According to Kelly et al. (2021), further advancing the views of Lekhanya and Mason (2013), rural tourism small, medium, and micro enterprises (SMMEs) contribute significantly to economic growth and development. Thanks to their ability to increase productivity and inspire innovation, they help to maintain the dynamic nature of economies (Kelly et al., 2021; Liu et al., 2020). Kelly et al. (2021), supporting the earlier views by Tang and Li (2021), noted that SMMEs are key drivers

^a Corresponding Author, Mancosa, Department of Global Tourism and Hospitality, victor.sethwana@mancosa.co.za, <https://orcid.org/0000-0002-5934-8621>

^b Walter Sisulu University, Department of Tourism and Hospitality Management, tramukumba@wsu.ac.za, <https://orcid.org/0000-0003-1176-1641>

of economic growth and development, they create jobs, reduce unemployment and poverty, especially youth unemployment, and they can stimulate innovations and contribute to growth domestic product (GDP). These contributions of SMMEs have been recognised globally in all economies, including that of South Africa (Litheko, 2021; Ouma-Mugabe et al., 2021; Soogun & Mhlongo, 2021).

The 1995 White Paper on Small Business and the 1996 National Small Business Development Act both emphasized the importance of SMMEs to the South African economy (Dede et al., 2022). This led to the establishment of the Ntsika Enterprise Promotion Agency and the Khula Enterprise Finance under the Department of Trade and Industry's (DTI) jurisdiction (Diale, 2008). Non-financial or business development services are handled by the Ntsika Enterprise Promotion Agency, while Khula Enterprise Finance serves as a wholesale financial organization that supports a variety of retail finance intermediaries that would deal directly with SMME entrepreneurs (ICC, 1999).

In South Africa, an SMME is defined as any company with fewer than 200 workers, less than 5 million rands in yearly revenue, and less than 2 million rands in capital assets. Business administration is directly handled by the proprietor (Cronje et al., 2000). Because most government support programs continue to have issues, state entrepreneurial support has not produced outstanding results. The Center for Small Business Development (CSBD), the Small Enterprise Development Agency, the Industrial Development Corporation (IDC), the National Empowerment Fund, the National Development Agency (NDA), the National Youth Development Agency (NYDA), the South African Micro-Finance Apex Fund (SAMAF), the Land Bank, and the Micro-Agricultural Financial Institute of South Africa are just a few of the organizations and programs that the South African government has established to assist SMMEs (Jili et al., 2017; Tang & Li, 2021; Zulu, 2021). Nonetheless, Khula and Ntsika, which offer SMMEs both financial and non-financial services, are the subject of the study that follows (Rogerson, 1999).

The purpose of the study was to determine how much government assistance programs aid in the expansion and advancement of SMMEs. In particular, the study aimed to (a) determine the types of government support services that were available and (b) ascertain the opinions of owners/managers of tourism SMMEs operating in Greater Letaba Municipality, Limpopo Province, on the financial and non-financial assistance offered by government organizations.

1.1. Research Problem

Although the South African government remains committed to supporting entrepreneurship through various agencies, little progress has been made to foster and

facilitate the growth and development of SMMEs. A lot of SMMEs still need access to financial and non-financial services offered by these agencies. Moreover, support programmes need to catch up to their objectives. Despite repeated policy revisions and the restructuring of new and weak agencies, South Africa still needs to work on creating sustainable small businesses. The purpose of the study was to analyse the effectiveness of the government support programmes and services (both financial and non-financial) provided by various state agencies based on opinions expressed by owners/managers of tourism SMME.

1.2. Theoretical Framework

The study is grounded in the principles of the New Structuralist Economics Framework. Drawing on Lin's (2021) work, the structuralist paradigm recommends that countries adapt their institutional structures. The New Structural Economics offers a fresh perspective on economic development, succeeding the structuralist and neoliberal approaches that emerged after World War II. This framework employs a neoclassical lens to examine the factors influencing a country's economic structure and its progression during economic development (Lin, 2021). This framework posits that a country's economic structure is inherently linked to its factor endowments. Achieving developmental success relies on governments aiding entrepreneurs in overcoming both soft and hard infrastructure challenges, enabling industries with comparative advantages to achieve competitive advantages in domestic and international markets. The framework emphasizes the government's role in enhancing infrastructure and institutions while facilitating entrepreneurs in transforming industries with comparative advantages into globally competitive ones. This involves targeted industrial policies to drive economic growth (Dede et al., 2022). New Structural Economics aligns closely with the domains of government and economics (Li & Maskin, 2021), as both stress the importance of government in shaping economic performance. From this perspective, traditional structures are often seen as insufficient for providing financial and non-financial support to SMMEs. For example, banks typically demand significant collateral before issuing loans to SMMEs. In response, the South African government established institutions like Khula to support SMMEs. Under the structuralist paradigm, development requires introducing new technologies and production methods to close the gap between advanced and lagging economic sectors (Contreras, 2004). The aim is to achieve a balanced economy where total output is equitably distributed across all sectors.

Economic development hinges on expanding neglected sectors of the economy (Portes et al., 1989). Structuralists advocate for government support to these sectors

by easing access to loans. To this end, the South African government has implemented various programs to assist SMMES. Structuralist theorists argue for robust government intervention to promote industrialization and recommend fiscal (e.g., taxation and public spending) and monetary (e.g., money supply and interest rates) policies (Contreras, 2004). Love (2005) highlights the need for government planning to follow a balanced growth strategy, ensuring simultaneous investment across multiple sectors and industries. This approach can provide neglected sectors with greater access to financial and non-financial resources. Addressing the shortcomings of traditional structures requires structural changes that enhance SMMES' access to essential services and opportunities.

2. Literature Review

2.1. A Brief History of Rural Tourism Development in South Africa

Rogerson and Rogerson (2021b) contend that rural tourism development in the Global South has followed a distinct trajectory compared to the Global North due to various factors. Research on the Global South frequently highlights dependency relationships that pose challenges for rural areas. Several scholars emphasize the importance of addressing rural tourism in the Global South as a unique context, necessitating a focus on specific research problems. According to Karali et al. (2021, p. 2), “rural tourism of the developed and developing countries is required to be researched differently due to their unlike development and growth contexts.” Furthermore, “rural tourism has different contextual dimensions and issues in developed and developing nations, which need to be addressed with the help of case-specific studies” (Karali et al., 2021, p. 2). Since the democratic transition, the issue of promoting rural tourism has been an item of escalating significance on the agenda of South African policymakers (Rogerson & Rogerson, 2021b). Following the end of apartheid, the new government prioritized rural development to address historical inequities and improve the quality of life for low-income communities. In pursuit of this goal, the National Tourism Sector Strategy was introduced in 2011, tasking the Department of Tourism with enhancing the spatial distribution of tourism across the country (Rogerson & Rogerson, 2021b). A key focus was fostering tourism growth in rural areas by increasing rural community participation and promoting well-informed investments in rural tourism products aligned with market demands. Specific attention was directed toward rural tourism initiatives in the former Homelands, South Africa's most impoverished regions

(Zikalala, 2011). This led to the development of two significant policy documents in 2012: the Rural Tourism Strategy (Department of Tourism, 2012a) and the National Heritage and Cultural Strategy (Department of Tourism, 2012b), both aimed at enhancing rural tourism opportunities and products.

The Rural Tourism Strategy represents South Africa's most comprehensive policy framework for rural tourism. Its vision is to establish a thriving rural tourism economy, while its mission emphasizes advancing tourism growth in rural communities, particularly in under-visited provinces. Rural tourism in South Africa highlights rural life, arts, culture, and heritage to benefit local communities and foster enriching interactions between tourists and locals. However, the strategy acknowledged several challenges, including insufficient funding, limited community involvement, and unequal revenue distribution from key rural attractions like World Heritage Sites, which often failed to contribute to poverty alleviation. The strategy identified opportunities in untapped rural cultural and heritage assets, pristine natural environments, indigenous knowledge systems, agritourism, sports, volunteer tourism, and adventure tourism (Department of Tourism, 2012a, p. 36). Its overarching goal was to promote informed investments in rural tourism projects that cater to market needs (Department of Tourism, 2012a, p. 10). Effective implementation required addressing various development needs, such as providing training, raising tourism awareness, and upgrading infrastructure—highlighted as a significant shortcoming. Additionally, the strategy underscored the pivotal role of local government in providing leadership and planning to ensure that local communities and businesses derive maximum benefits from tourism (Department of Tourism, 2012a, p. 33).

2.2. Small, Medium and Micro Enterprises (SMMEs) in South Africa

According to Kelly et al. (2021), the definitions of a small business vary in different parts of the world and for the purpose of this study, the authors adopted the definition included in Chapter 1 of the National Small Enterprise [previously Business] Act of 1996, as amended by the National Small Enterprise Amendment Acts of 2003, 2004 and 2024 (NSB Act), officially defines a small business as:

...a separate and distinct business entity, including co-operative enterprises and non-governmental organizations, managed by one owner or more which, including its branches or subsidiaries, if any, is predominantly carried on in any sector or sub-sector of the economy mentioned in column I of the Schedule 14...

Kelly et al. (2021), further noted that the definition of SMMEs in South Africa includes several variables: size, the number of employees, and the turnover. The

classification used by the Department of Trade and Industry (DTI, 2014) is consistent with the Small Enterprise Act. Kelly et al. (2021), supporting the earlier suggestions by Mbomvu et al. (2021), Mothoa & Rankhumise (2021), Ouma-Mugabe et al. (2021), noted that the DTI distinguishes SMMES as:

- survivalist enterprises, which are set up with little capital investment by unemployed persons to earn minimum income to support their families;
- micro enterprises, with up to 5 employees, who are usually family members, have an annual turnover below R300,000;
- tiny enterprises with fewer than 10 employees and an annual turnover of less than R300,000, and a basic owner management structure;
- small enterprises with fewer than 50 employees, an annual income above R300,000, and a semi-formal management structure;
- medium enterprises, with 100–200 employees, a decentralized management structure, and an annual income of more than R1,000,000.

Due to their adaptability, SMMES are well-positioned to thrive in dynamic business environments or economies (Quansah et al., 2022; Rashid & Ratten, 2021; Weaven et al., 2021). The sector is distinguished by its innovative nature, creativity, competitiveness, and strong drive for success (Isaacs et al., 2020; Takyi & Naidoo, 2020). These characteristics enable the continuous emergence of new SMMES (Wiid & Cant, 2021a), which contribute to job creation, increased productivity, and improved standards of living (Abisuga-Oyekunle & Muchie, 2020). Despite these positive attributes, the growth of the SMME sector varies across countries, with some experiencing significant stagnation (Meyer & Meyer, 2017; Muriithi, 2017; Ndayizigamiye & Khoase, 2018; Bandara et al., 2020; Umadia et al., 2020). Various factors influence the success or failure of SMMES (Nyangarika & FSM, 2020). According to Kelly et al. (2021), high mortality rates in some contexts are often attributed to challenges such as limited access to financing, inadequate infrastructure, insufficient government support, ineffective marketing, poor management or leadership, and suboptimal decision-making and these factors were earlier identified by Muriithi, (2017); Madzimure (2020); Cant (2020); Ogujiuba & Boshoff (2020); Madzimure and Tau (2021). Kelly et al. (2021), further noted that research indicates that supportive business environments play a critical role in fostering the growth and expansion of SMMES (Wiid & Cant, 2021a; Scheba & Turok, 2020; Gamidullaeva et al., 2020). Key factors such as government assistance, including financial support (Sishuba, 2020) and training programs, significantly enhance the survival and growth rates of SMMES.

2.3. Black Economic Empowerment and Transformation of the Tourism Industry in South Africa

Since South Africa's democratic transition in 1994, Black economic empowerment (BEE) has been a central policy priority, aimed at addressing the racial inequalities entrenched by apartheid (Sixaba & Rogerson, 2023; Sixaba & Rogerson, 2019). The tourism sector has been a major focus of empowerment and transformation initiatives (van der Watt, 2022, p. 90), with the national government introducing measures to increase Black participation in the industry (Vilakazi & Bosiu, 2021, p. 191). These policies have sparked considerable debate and scholarship, highlighting their complexities and controversies (Sixaba & Rogerson, 2023). Since 1994, multiple initiatives have targeted the transformation of South Africa's racial ownership structures and increased the participation of historically disadvantaged groups across various sectors, including tourism (Abrahams, 2019).

These efforts primarily focus on the Black (African) community, which was largely excluded from the mainstream economy during apartheid (Giddy et al., 2020). To address this exclusion, the government has introduced measures to dismantle white dominance in the tourism industry and promote Black entrepreneurship (Nomnga, 2021). According to Adinolfi et al. (2018: 89), "tourism is a sector that ideally provides outstanding opportunities to support transformation." Key initiatives include the Tourism Enterprise Programme, funding for Black entrepreneurs, the establishment of tourism business incubators, and efforts to develop niches like township tourism, which present significant opportunities for Black-owned enterprises.

Despite these efforts, small tourism enterprises face numerous internal challenges. These include limited financial resources, inadequate marketing, weak human resources, low adoption of new technologies, restricted access to business skills, insufficient knowledge of the business environment, and networking constraints (Fu et al., 2019; Isik et al., 2019; Rosalina et al., 2021; Giddy et al., 2022). Research underscores the importance of institutional support to help entrepreneurs address these issues (Yachin, 2020). For instance, Ateljevic and Doorne (2004) identified external factors such as policy infrastructure, government support, regulatory environments, and financial sector relationships as critical to overcoming constraints in small tourism firms, based on their study in Central New Zealand.

2.4. South African Government' Support for SMMEs

According to Kelly et al. (2021) further supported by the views of Moise et al. (2020) and Ouma-Mugabe et al. (2021), the South African government places

high expectations on the SMME sector, viewing it as a critical driver of economic growth, job creation, and equity. However, SMMES face significant challenges, including high failure rates primarily attributed to limited access to finance, training, and experience (Ayandibu & Vezi-Magigaba, 2021; Kanayo et al., 2021). Black-owned tourism SMMES in rural areas are particularly vulnerable, as they face additional obstacles linked to government inefficiencies, such as inadequate support, limited understanding of small business needs, bureaucratic red tape, and poor maintenance of essential infrastructure (Sixaba & Rogerson, 2023). Recognizing these challenges, the government has established various institutions to promote and support SMMES. The Department of Small Business Development (DSBD) was launched in 2014 as part of the National Development Plan to create a favourable environment for SMME growth, with the ambitious goal of generating 90% of jobs through this sector (Kelly et al., 2021; Vivence, 2021; Zulu, 2021). The Department of Trade and Industry (DTI), through its expanded mandate, supports SMMES via industrial and commercial mechanisms, collaborating with institutions such as the National Youth Development Agency (NYDA), the Small Enterprise Development Agency (SEDA), the National Empowerment Fund (NEF), and the Small Enterprise Finance Agency (SEFA) (Khoase & Ndayizigamiye, 2018; Khoase et al., 2020; Kelly et al., 2021).

The DTI implements policies and strategies aimed at fostering enterprise growth, empowerment, and equity through initiatives like Broad-Based Black Economic Empowerment (B-BBEE), the Isivande Women's Fund, and the SEDA Technology Programme (STP). Among these, the National Empowerment Fund (NEF) is pivotal in promoting small business development, offering both financial and non-financial support for start-ups, business expansion, and equity acquisition (Arshad et al., 2020; Kelly et al., 2021). In the tourism sector, public-private partnerships (PPPs) have been a key strategy for supporting SMMES. The public sector plays a leading role, as the government is responsible for establishing policies and laws that regulate and support tourism SMMES across national, provincial, and local levels (Rogerson, 2008). This framework seeks to address systemic barriers while fostering an ecosystem conducive to the sustainable growth of tourism SMMES.

2.5. Funding Programmes for Tourism SMMES

The South African government has implemented numerous funding programmes for tourism SMMES to stimulate the country's tourism sector. The Department of Environmental Affairs and the Tourism Department of Trade and Industry, in partnership with the Tourism Business Council of South Africa (TBCSA), published a funding information handbook. The handbook provides information about dif-

ferent types of programmes that provide funding to tourism SMMEs, funding criteria, and contact details of the relevant funding organizations. Such funding programmes include the National Empowerment Fund (NEF), Industrial Development Corporation (IDC), Department of Economic Development and Tourism (All provincial Government), The Department of Trade and Industry (DTI), National Department of Tourism (NDT) and National Empowerment Fund, Business Partners, Tourism Support Programme (TSP), SADC Project Preparation and Development Facility (PPDF), Rural and Community Development Fund, Mezzanine Finance, IDP Fund, Tourism Support Programme (TSP), Tourism Enterprise Partnership (TEP), Ithala Development Finance Corporation, and Metier Capital Growth Fund II.

The National Empowerment Fund and Industrial Development Corporation provide financial assistance to tourism SMMEs countrywide (Hewitt & van Rensburg, 2020). The Department of Economic Development and Tourism (all provincial governments) provides financial assistance to SMMEs in the tourism sector through various programmes (Zulu, 2021). These include the Tourism Support Programme (TSP), the SADC Project Preparation and Development Facility (PPDF), and the Rural and Community Development Fund. All these programmes are available to all tourism SMMEs countrywide. The Department of Trade and Industry (DTI) provides financial assistance to SMMEs in the tourism sector through the Mezzanine Finance and the IDP Fund (Mhlope, 2021). These funds are available to all tourism SMMEs countrywide. The National Department of Tourism (NDT) provides financial assistance to SMMEs in the tourism sector through the Tourism Support Programme (TSP). This programme is available to all tourism SMMEs countrywide. The National Empowerment Fund and Business Partners provide financial assistance to SMMEs in the tourism sector through the Tourism Enterprise Partnership (TEP), and this programme is available to all tourism SMMEs countrywide (Ouma-Mugabe et al., 2021). The Ithala Development Finance Corporation provides financial assistance to SMMEs in the tourism sector through the Metier Capital Growth Fund II, and this programme is available to all tourism SMMEs countrywide (Mothoa & Rankhumise, 2021).

Regarding funding accessibility in Mopani District, the Limpopo Department of Economic Development, Environment and Tourism (LEDET) is the primary source of funding for tourism SMMEs in Limpopo (Hewitt & van Rensburg, 2020). The department offers several funding programmes, including the Tourism Incentive Programme (TIP), the Rural Enterprise Development Programme (REDP), and the Small Enterprise Development Agency (SEDA). Small Enterprise Finance Agency (SEFA) and the TIP provide financial assistance for tourism projects, such as infrastructure development and marketing initiatives (Schirmer & Visser, 2021).

The REDP funds small businesses in rural areas, while SEFA provides loans to SMMEs (Hewitt & van Rensburg, 2020).

The Small Enterprise Finance Agency (SEFA) also funds tourism SMMEs in Limpopo province. SEFA offers loans and grants to small businesses. Loans are provided at low interest rates and have flexible repayment terms (Mbomvu et al., 2021). Grants are available for start-up costs and to assist with specific projects. The Industrial Development Corporation (IDC) and the National Empowerment Fund (NEF) are other sources of funding for tourism SMMEs (Ouma-Mugabe et al., 2021). The IDC provides loans and venture capital to small businesses, which are available for start-up costs and expansion projects; venture capital is available for innovative projects (Ayandibu & Vezi-Magigaba, 2021). While the National Empowerment Fund (NEF) provides equity investments and loans to small tourism businesses, these investments are available for start-up and expansion projects. In contrast, loans are available for working capital and specific projects (Kraai, 2021).

The South African Tourism (SAT) and the Limpopo Tourism Agency (LTA) are public institutions that fund tourism SMMEs in Limpopo. The SAT and LTA provide grants for marketing initiatives and projects promoting the province's tourism (Botha et al., 2021). The Mopani District Municipality also has several funding programmes for SMMEs in the tourism sector, including the Mopani Tourism SMME Stimulus Grant and the Mopani Tourism Incubation Programmes. The municipal funding provides grants for developing tourism products and services and the development of tourism SMMEs, including training and mentorship.

3. Research Design and Methods

This study employed an explanatory sequential design (Creswell & Plano Clark, 2011), consisting of two distinct phases. The first phase involved the distribution of an online questionnaire survey to tourism SMMEs registered in the Limpopo Department of Economic Development, Environment and Tourism (LEDET) database. Out of the 125 SMMEs contacted, 100 completed the questionnaire, achieving a response rate of 80%. Only SMMEs that had been in operation for at least three years were included in the analysis, ensuring that the data collected reflected businesses with sufficient market experience. The online questionnaire consisted of 18 questions, designed to gather information on various aspects of government support for rural tourism SMMEs in GLM. There were 6 Yes/No questions to determine respondents' awareness of available government funding opportunities, whether they had applied and received government funding, received feedback on/reasons

for rejected funding applications and their willingness to apply for government funding in the future. Respondents were also asked to express their views about statements regarding perceived adequacy, availability, and effectiveness of government support and engagement with tourism SMMEs in areas such as dialogue, financial assistance, skills training, and development initiatives. The degree of agreement with the statements was measured on a 5-point Likert scale, with responses ranging from 1 (Strongly Disagree), through 3 (Neutral), to 5 (Strongly Agree). Multiple choice questions were used to determine the type of government support required by tourism SMMEs, reasons for funding application not successful, reasons for not applying for funding and reasons for not applying government relief fund. The second phase of the study involved follow-up interviews with 10 SMMEs that agreed to participate further. These semi-structured interviews explored tourism SMMEs' perceptions, experiences, and suggestions regarding government support, funding, accessibility, and programme effectiveness. Respondents were assured of confidentiality and informed of their right to withdraw from the study at any stage.

Table 1. Data collection instruments

PHASE ONE: SURVEY		
Questions		Response format
1.	What type of government support do you require?	Multiple choice
2.	Are you aware of government funding available to tourism SMMEs?	Yes/No
3.	Have you applied and received Tourism SMMEs government funding?	Yes/No
4.	Provide reasons why you have not applied for funding	Multiple choice
5.	Did you receive any feedback or reasons from the government regarding the rejection of your application?	Yes/No
6.	What was the reason/feedback why your application was not successful?	Multiple choice
7.	Are you considering reapplying for government funding/grants in the future?	Yes/No
8.	Did you apply and received government Covid-relief fund for tourism SMMEs?	Yes/No
9.	Provide reasons why you did not apply covid-19 relief fund	Multiple choice
10.	Did you receive feedback or reasons from the government regarding the rejection of your Covid-19 relief fund application?	Yes/No
11.	If you received feedback, what was the reason/feedback why your Covid-19 relief fund application was not successful?	Multiple choice
Statements		Response format
12.	There is a regular and structured dialogue between the government and Tourism SMMEs	Likert scale
13.	There are government support programmes available for Tourism SMMEs. such as the Tourism Enterprise Programme (TEP)	Likert scale
14.	The government provides all the support needed to ensure that tourism SMMEs attract tourists to the area.	Likert scale

PHASE ONE: SURVEY		
15.	Tourism SMMEs have access to available skills training programmes that can improve their opportunities provided by the government through skill development, business development initiatives, and incentive programmes.	Likert scale
16.	Participation in development programmes organized by the government provides access to business opportunities.	Likert scale
17.	The government support initiatives available for Tourism SMMEs effectively encourage growth.	Likert scale
18.	The government supports small businesses financially and technologically	Likert scale
PHASE TWO: INTERVIEW		
1.	Can you describe your experience in applying for and receiving government Covid-19 relief funds?	
2.	What kind of support or resources do you believe would be most beneficial for tourism SMMEs, and how could local authorities or organisations provide this support?	
3.	What specific financial support or training programmes do you think would be most helpful?	
4.	What specific improvements or changes do you believe are needed in government programmes and initiatives to better support tourism SMMEs?	
5.	Are there any successful government support programmes or initiatives that you have encountered, and what made them effective?	
6.	Can you elaborate on the challenges you faced when applying for government funding or grants?	
7.	What can be done to ensure the effective communication and collaboration between the government and tourism SMMEs?	
8.	What, in your opinion, could the government do to make support programmes more accessible and known to SMMEs?	
9.	What are the specific areas where you believe the government could improve its efforts in supporting tourism SMMEs?	
10.	Is there anything else you would like to mention about the challenges faced by tourism SMMEs in general?	

Source: Author's own compilation

3.1. Study Area

This study was conducted in Greater Letaba Municipality (see Figure 1). Greater Letaba Municipality (GLM) is one of Mopani District Municipality's local municipalities. According to the Greater Letaba Local Municipality (GLM) Integrated Development Plan (IDP), 2019/2020, there is much potential for the development of tourism, thanks to such attractions as the Rain Queen Modjadji or the biggest baobab tree in Africa located within the municipality neighbouring Ga-Kgapang Township. The region's tourism potential has contributed to the development of local tourism economy enabling local people to sell their crafts, the construction of accommodations facilities and a convention center. The nearby African Ivory Route, which passes through the town of Modjadjiskloof, could bring economic growth to Modjadjiskloof itself and the entire municipality. Other tourism assets

include the Modjadji Nature Reserve famous for its cycads (*Encephalartos transvenosus*), which can only be found in the municipality; a vast tomato plantation run by a private farming operation called zzz; the Modjadji waterfall; the Manokwe Caves Modjadji Lodge and the Nahakwe Mountain Lodge.



Figure 1. Map showing the location of Greater Letaba Municipality

Source: www.municipalities.co.za

3.2. Socio-demographic Information about the Respondents

Table 2 below provides socio-demographic information about the respondents from tourism SMMEs that participated in the survey.

Table 2. Socio-demographic information about the respondents ($n = 100$)

	Number
Business role:	
Owner	50
Manager	16
Deputy manager	30
Other	4
Education:	
Grade 12	18
Bachelor's degree/National Diploma	46

	Number
Honours/B-Tech	20
Masters/M-Tech	15
Doctoral degree/D-Tech	1
Experience:	
Less than a year	1
1–4 years	15
5–10 years	25
11–20 years	44
21- above	15
Type of business:	
Hotel	5
B&B	16
Guesthouse	41
Lodge	14
Resort	1
Tour operator/travel agent	7
Other	16
Number of employees:	
Fewer than 5	48
5–20	38
21–50	12
51–100	2

Source: Author's own compilation

4. Results and Discussion

Government support for tourism SMMES is crucial for their growth and survival. 60% of the respondents were aware of government funding opportunities, while 40% were unaware. The high level of awareness could be attributed to a number of factors identified as contributing to high mortality rates of SMMES in the early stages of their operation, which prompted SMMES to look for funding opportunities to avoid this fate (Muriithi, 2017; Madzimure, 2020; Cant, 2020; Ogujiuba & Boshoff, 2020; Madzimure & Tau, 2021). The results suggest that tourism SMMES in Greater Letaba Municipality are always looking for funding opportunities for their business to ensure their success and survival.

Table 3. Independent samples test: funding awareness and access to finance

Group statistics						
Awareness of available tourism SMMEs funding from Government		N	Mean	Std. Deviation	Std. Error	Cohen's d
Difficulties with access to finance	Aware	60	3.2833	0.88833	0.11468	-0.83
	Not aware	40	3.9656	0.71105	0.11243	

Source: Author's own compilation

An independent sample t -test was performed to determine whether there was a difference in the average score of difficulties with access to finance between those who are aware and those who are not aware of tourism SMME funding available from government. A statistically significant difference was observed with a medium to large effect size ($t = -4.065$, $df = 98$, $Sig = 0.000$, Cohen's $d = -0.83$). The results show that respondents unaware of available tourism SMMEs funding from government reported significantly greater difficulties (Mean = 3.9656) compared to those who were aware (Mean = 3.2833). The t -test further revealed that being aware of funding opportunities significantly reduces perceived challenges in accessing finance, emphasizing the importance of increasing awareness among tourism SMMEs to improve their financial access. The t -test further revealed that being aware of funding opportunities significantly reduces perceived challenges in accessing finance, emphasizing the importance of increasing awareness among tourism SMMEs to improve their financial access.

Table 4. Required government support

What government support do you require?*	Responses	
	n	%
Business training and skill development	33	15.9
Financial support/funding(relieve)	49	23.7
Marketing/promotion	63	30.4
Provide market access	44	21.3
Other	18	8.7
Total	207	100.0

Source: Author's own compilation

*Respondents could choose more than one option

Tourism SMMEs require government support, including market access, marketing/promotion, financial support, training, and skills development. The survey results indicate that tourism SMMEs require a wide range of support from the government. It is important to note that the respondents could choose more than

one option from those provided. The results indicate that the most frequently chosen form of support (30.4%) was support in marketing and promotion, followed financial support (23.7%). The third most frequently chosen form of support was business training and skills development (15.9%). The need for this kind of support for SMMES was identified by Kanayo et al. (2021) and Kelly et al. (2021), who argued that governments should provide financial support and training programmes to help SMMES realize their growth potential, while Botha et al. (2021) supported by Schirmer & Visser (2021) noted that South African government had established institutions mandated to promote and support SMMES. According to the survey, 25% of tourism SMMES in Greater Letaba Municipality had applied for and received government funding/grants, while 35% had applied but did not receive any. The remaining 40% of the respondents had yet to apply for government funding/grants.

Another finding of the survey is that 52% of respondents think that there is no structured dialogue between the government and SMMES while 57% of them believe that the government needs to do more to assist SMMES in their marketing efforts to attract more tourists to the area and benefit from their presence.

Table 5 below presents results regarding government relations and support provided to SMMES.

Table 5. Government relations and support for tourism SMMES.

	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
	Count/%	Count/%	Count/%	Count/%	Count%
There is a regular and structured dialogue between the government and Tourism SMMES	20	32	31	13	4
There are government support programmes available for Tourism SMMES, such as the Tourism Enterprise Programme (TEP)	7	17	43	25	8
The government provides all the support needed to ensure that tourism SMMES attract tourists to the area.	27	30	30	11	2
Tourism SMMES have access to available skills training programmes that can improve their opportunities provided by the government through skill development, business development initiatives, and incentive programmes.	14	29	41	13	3
Participation in development programmes organized by the government provides access to business opportunities	12	27	43	15	3
The government support initiatives available for Tourism SMMES effectively encourage growth.	15	25	47	11	2
The government supports small businesses financially and technologically (e.g. infrastructure development by enhancing connectivity and network).	29	26	34	9	2

Source: Author's own compilation

It is worth noting regardless of the statement between 31% and 47% of answers were neutral. The highest percentage (33%) of respondents agreed that govern-

ment support programmes were available for tourism SMMES, such as the Tourism Enterprise Programme (TEP).

Table 6. Basic information about the interviewees

	Number
Business role:	
Owner	8
Manager	2
Education:	
Bachelor's degree/National Diploma	1
Honours/B-Tech	2
Masters/M-Tech	6
Doctoral degree/D-Tech	1
Experience:	
5–10 years	4
11–20 years	5
21- above	1
Type of business:	
B&B	5
Guesthouse	4
Lodge	1
Number of employees:	
Fewer than 5	9
5–20	1

Source: Author's own compilation

The results above regarding government relations and support for SMMES reveal a gap between government initiatives to support SMMES and the actual support received by these SMMES. On the one hand, these results are consistent with the findings reported by Sixaba and Rogerson (2023), who identified several problems resulting from government actions or inaction that limit the development prospects of Black-owned tourism SMMES in rural areas. These challenges include the lack of government support, an inadequate understanding of the needs of small businesses, bureaucratic processes, and the failure of the government to supply or maintain basic infrastructure essential for the functioning of tourism small businesses. These results were supported by Fu et al. (2019), Işık et al. (2019), Rosalina et al. (2021) and Giddy et al. (2022). On the other hand, the respondents acknowledged the availability of government support for SMMES, which was also reported by Sishuba (2020). While this is true, the results indicate the respondents

were not convinced that the government was doing enough to support them financially. However, according to Botha, Smulders, Combrink, and Meiring (2021), the South African Tourism (SAT) and Limpopo Tourism Agency (LTA) provide funding to tourism SMMEs in Limpopo in the form of grants for marketing initiatives and projects that promote tourism in the province (Botha et al., 2021).

The following section focuses on the qualitative data collected during interviews with 10 respondents, who were asked about funding support from the government, which is critical to their survival and growth. The goal of this part of the study was to gain a deeper understanding of what happens when tourism SMMEs apply for government funding and their experiences regarding marketing support from the government. The responses could be classified into three major themes: persistence in applying, challenges in meeting application criteria, and the lack of marketing and promotion support.

Theme 1: Persistence in applying

Interviewee I admitted to being rejected on multiple occasions but was determined to persist in applying. This persistence is a feature shared by most entrepreneurs who seek government assistance despite encountering numerous obstacles.

Interviewee H emphasized that government officials often lack a deeper understanding of the challenges faced by small businesses in the tourism sector. This lack of comprehension leads to cumbersome application processes and unresponsiveness. The interviewee stressed the need for more specialized training within the government to ensure that officials are well-equipped to support SMMEs effectively. This theme highlights the importance of government investment in educating its personnel to serve SMMEs better.

Theme 2: Challenges in meeting application criteria

Interviewee G shared an experience of applying for a programme related to water and power infrastructure. The interviewee asked for an explanation of why their application had been rejected despite their efforts to reduce electricity consumption using solar panels and energy-efficient appliances. This response highlights the challenge of understanding and meeting the criteria set by government agencies when applying for funding.

Interviewee D highlighted the need to simplify regulatory requirements, particularly Value Added Tax (VAT) registration. The interviewee suggested that specific requirements, like VAT registration, should be scrapped for start-ups. Furthermore, the interviewee emphasized that the regulations must differentiate between dif-

ferent types of SMMEs, such as small, micro, and medium enterprises, rather than applying a one-size-fits-all approach. This would ensure that small businesses are excluded from specific regulations that may not be relevant to their scale of operation.

Interviewee F expressed a need for financial support in the form of grants to boost the cash flow of SMMEs. The interviewee emphasized that grants would assist in addressing immediate financial concerns, such as renovations and security infrastructure, which are crucial for the tourism industry. The lack of adequate funds for essential improvements can adversely affect the cash flow of SMMEs and hinder their ability to thrive.

Interviewee A highlighted the need for accessible financial support, especially for start-ups. The interviewee said it was difficult to obtain funding and emphasized the importance of not burdening new businesses with drastic measures that require significant personal investments. Accessibility to funds without stringent requirements and burdensome financial commitments was a common concern among the participants.

The above results suggest that while the government provides many funding opportunities, tourism SMMEs face challenges in obtaining that funding. These results are consistent with the findings reported by Ayandibu and Vezi-Magigaba (2021); Kanayo et al. (2021), who identified the lack of access to finance as a prominent factor that contributed to SMMEs' failure.

Theme 3: Lack of marketing/promotion support

Interviewee B emphasized the importance of marketing as a critical aspect of support for tourism SMMEs. While not elaborating on specific types of support, the need for effective marketing strategies suggests a demand for programmes that assist businesses in promoting their services and attracting customers.

Interviewee C raised concerns about the government's focus on marketing larger businesses, while ignoring the needs of smaller enterprises. The interviewee stressed the importance of promoting township businesses to counteract negative perceptions. This highlights the need for more effective marketing and communication strategies to support SMMEs.

Interviewee E emphasized the significance of market access for SMMEs with limited resources. The interviewee discussed the challenges associated with documentation requirements for government support programmes and suggested easing these requirements, especially for small enterprises, to increase accessibility to opportunities.

Interviewee J briefly mentioned the importance of marketing initiatives, which could be crucial in supporting tourism SMMES by increasing visibility and attracting customers.

In summary, contrary to the findings reported by Botha, Smulders, Combrink, and Meiring (2021), the interviewees believed that the South African Tourism (SAT) and Limpopo Tourism Agency (LTA) were not delivering the kind of services that tourism SMMES expected.

5. Conclusion

The results of the study described above highlight the main challenges faced by tourism SMMES in Greater Letaba Municipality, particularly in relation to government support. Despite the existence of government programmes aimed at promoting the growth and sustainability of small businesses, the findings suggest that many SMMES feel unsupported. A considerable number of respondents reported difficulties in accessing government funding, navigating complex application processes, and obtaining the necessary marketing and technological support. These results are consistent with findings in other studies, which emphasises the importance of targeted government interventions to foster the survival and growth of SMMES in the tourism sector. The respondents expressed a sense of disconnect between the government's initiatives and their actual needs, suggesting that the existing support mechanisms may not be sufficiently tailored to the unique challenges of smaller businesses in the tourism industry. The study also revealed that SMMES struggle with regulatory requirements, such as VAT registration and infrastructure criteria, which often hinder their ability to access support. These challenges reflect broader concerns mentioned in the literature about the complexity of government support systems and the need for more accessible and streamlined processes for small businesses. While some respondents were persistent in their attempts to apply for government support despite setbacks, others expressed a need for more specialized knowledge within government agencies to better assist tourism SMMES. This suggests that while government funding and support programmes exist, their effectiveness is limited by structural barriers and a lack of alignment with the practical realities faced by small tourism enterprises. The findings underscore the need for a more responsive and simplified approach to government support, one that directly addresses the specific needs of tourism SMMES. Enhanced training for government officials, simplified application processes, and more accessible

financial and marketing support could significantly improve the effectiveness of government initiatives, thereby fostering the growth and sustainability of tourism SMMES in the region.

6. Limitations and Future Research

The main limitation of the study is that the sample of SMMES was relatively small and excluded informal SMMES, which limits the representativeness of the findings. Additionally, the views expressed by the 10 interviewees may not fully reflect those of the broader sample. Future research can focus on enhancing government support by addressing regulatory challenges and ensuring transparency in funding criteria. Another possible direction for future research is to explore different financial support models, such as grants versus loans, and their impact on the sustainability of tourism SMMES. Comparative studies of international best practices and longitudinal studies on entrepreneurial resilience could provide valuable insights to improve support systems and foster the growth of tourism SMMES.

CRedit Authorship Contribution Statement

Sethwana M.V. and Ramukumba T. both contributed significantly to all aspects of this research project. They were responsible for the conceptualization of the study, data collection, formal analysis, and funding acquisition. They were actively involved in the investigation, methodology design, and project administration, as well as for managing resources, software, and supervision. Their contributions also extended to the validation and visualization of the research outcomes. Both authors took part in the writing of the original draft and the subsequent review and editing of the manuscript.

Declaration of Competing Interest

None.

References

- Abisuga-Oyekunle, O.A., & Muchie, M. (2020). Handicraft small enterprises as an instrument for rural economic growth and poverty eradication. *Problems and Perspectives in Management*, 18(4), 25–36. [http://dx.doi.org/10.21511/ppm.18\(4\).2020.03](http://dx.doi.org/10.21511/ppm.18(4).2020.03)
- Abrahams, D. (2019). Transformation of the tourism sector in South Africa: A possible growth stimulant? *GeoJournal of Tourism and Geosites*, 26(3), 821–830. <http://dx.doi.org/10.30892/gtg.26312-400>
- Adinolfi, M.C., Jacobs, M., & Tichaawa, T.M. (2018). Unpacking Factors Limiting and Promoting Black-Owned SMMES to Participate Actively Within the Tourism Value Chain in South Africa. *Africa Insight*, 48(3), 88–104.
- Ateljevic, J., & Doorne, S. (2004). Diseconomies of scale: A study of development constraints in small tourism firms in central New Zealand. *Tourism and Hospitality Research*, 5(1), 5–24. <https://doi.org/10.1057/palgrave.thr.6040002>
- Arshad, M.Z., Ahmad, M.J., Ali, M., Khan, W.A., & Arshad, M.H. (2020). The role of government business support services and absorptive capacity on SMES performance. *International Journal of Advanced Science and Technology*, 29(3), 1492–1499. <http://sersc.org/journals/index.php/IJAST/article/view/6149>
- Ayandibu, A.O., & Vezi-Magigaba, M.F. (2021). Climate change and entrepreneurial financing. In A.O. Ayandibu, & M.F. Vezi-Magigaba (Eds.), *Handbook of research on climate change and the sustainable financial sector* (pp. 399–410). IGI Global. <http://dx.doi.org/10.4018/978-1-7998-7967-1.ch024>
- Bandara, K.B.T.U.K., Jayasundara, J.M.S.B., Naradda Gamage, S.K., Ekanayake, E.M.S., Rajapackshe, P.S.K., Abeyrathne, G.A.K.N.J., & Prasanna, R.P.I.R. (2020). *Entrepreneurial marketing & performance of small & medium enterprises in developed and developing economies: A conceptual exploration*. IDEAS. <https://ideas.repec.org/p/pramprapa/104341.html>
- Botha, A., Smulders, S.A., Combrink, H.A., & Meiring, J. (2021). Challenges, barriers, and policy development for South African SMMES—does size matter? *Development Southern Africa*, 38(2), 153–174. <https://doi.org/10.1080/0376835X.2020.1732872>
- Cant, M. (2020). Legal factors affecting the establishment of township SMMES in South Africa: Are they killing small businesses? *Journal of Private Enterprise*, 35(4), 61–70. <https://ideas.repec.org/a/jpe/journal/1740.html>
- Contreras, R. (2004). *Competing theories of economic development*. University of Iowa Center for International Finance and Development. <https://www.nber.org/papers/w10766>
- Creswell, J.W. (2014). *Research design: Qualitative, quantitative, and mixed methods approaches* (4th ed.). Sage. <http://dx.doi.org/10.5539/elt.v12n5p40>
- Creswell, J.W., & Plano Clark, V.L. (2011). *Designing and conducting mixed methods research* (2nd ed.). Sage. <https://www.scirp.org/reference/referencespapers?referenceid=1596237>
- Cronje, G.J., Du Toit, G.S., & Motlatla, M.D.C. (2000). *Introduction to business management*. Oxford University Press.
- Dede, K.T., Shumba, K., Zindiye, S., & Donga, G. (2022). An evaluation of government support services for SMMES in Thohoyandou, South Africa. *Journal of Entrepreneurial Innovations*, 2(1). <https://doi.org/10.14426/jei.v2i1.1163>
- Diale, A.J. (2008). *Government support for small, micro and medium enterprises (SMMES) as a venture for business and economic development in South Africa*. Tshwane University of Technology.
- Department of Tourism. (2011). *National Tourism Sector Strategy*. Pretoria: Department of Tourism.
- Department of Tourism. (2012a). *Rural Tourism Strategy*. Pretoria: Department of Tourism.
- Department of Tourism. (2012b). *National Heritage and Cultural Tourism Strategy*. Pretoria: Department of Tourism.

- DTI. (2014). *Economic empowerment* [online]. <https://web.archive.org/web/20170509090538/http://www.dti.gov.za/editmedia.jsp?id=3034>
- Fu, H., Okumus, F., Wu, K., & Köseoglu, M.A. (2019). The entrepreneurship research in hospitality and tourism. *International Journal of Hospitality Management*, 78, 1–12. <https://doi.org/10.1016/j.ijhm.2018.10.005>
- Gamidullaeva, L.A., Vasin, S.M., & Wise, N. (2020). Increasing small-and medium-enterprise contribution to local and regional economic growth by assessing the institutional environment. *Journal of Small Business and Enterprise Development*, 27(2), 259–280. <https://doi.org/10.1108/JSBED-07-2019-0219>
- Giddy, J.K., Idahosa, L.O., & Rogerson, C.M. (2020). Leveraging state-owned nature-based assets for transformation and SMME development: Pilanesberg National Park, South Africa. In J.M. Rogerson, & G. Visser (Eds.), *New directions in South African tourism geographies* (pp. 299–316). Springer.
- Giddy, J.K., Rogerson, C.M., & Rogerson, J.M. (2022). Rural tourism firms in the COVID-19 environment: South African challenges. *GeoJournal of Tourism and Geosites*, 41(2), 343–353. <https://doi.org/10.30892/gtg41202-836>
- Hewitt, L.M., & van Rensburg, L.J.J. (2020). The role of business incubators in creating sustainable small and medium enterprises. *The Southern African Journal of Entrepreneurship and Small Business Management*, 12(1), 9. <https://sajesbm.co.za/index.php/sajesbm/article/view/295/443>
- International Chamber of Commerce (icc). (1999). *Supporting South Africa's small, micro and medium enterprise strategy — Khula Enterprise Finance Ltd and Ntsika Enterprise Promotion Agency: Discussion points on the way forward*. Washington, DC: World Bank.
- Isaacs, E., Friedrich, C., & Basardien, F. (2020). SMME performance—Results from a longitudinal study. *Industry and Higher Education*, 24(1), 63–69. <https://doi.org/10.5367/000000010790877335>
- Işık, C., Küçükaltan, E.G., Çelebi, S.K., Çalkın, O., Enser, I., & Çelik, A. (2019). Tourism and entrepreneurship: A literature review. *Journal of Ekonomi*, 1(1), 1–27.
- Jili, N.N., Masuku, M.M., & Selepe, B.M. (2017). SMMEs promoting local economic development (LED) in uMlalazi Local Municipality, KwaZulu-Natal. *African Journal of Hospitality, Tourism and Leisure*, 6(1), 1–10. <https://doaj.org/article/34dbaa3e9bc24c189d5563116861eefc>
- Kanayo, O., Olamide, E., Oguijuba, C., & Stiegler, N. (2021). Effect of contextual factors on entrepreneurship success in South Africa: Application of two-way analysis of variance design. *Academy of Entrepreneurship Journal*, 27, 1–15.
- Karali, A., Das, S., & Roy, H. (2021). Forty years of the rural tourism research: Reviewing the trend, pattern and future agenda. *Tourism Recreation Research*, 49(1), 173–200. <https://doi.org/10.1080/02508281.2021.1961065>
- Kelly, T.D., Shumba, K., Zindiye, S., & Donga, G. (2021). An evaluation of government support services for SMMEs in Thohoyandou, South Africa. *Journal of Entrepreneurial Innovations*, 2(1), 69–83. <https://doi.org/10.14426/jei.v2i1.1163>
- Khoase, R.G., & Ndayizigamiye, P. (2018). Analysing the role and impact of public and private supporting institutions interventions on SMMEs access to funding: A comparative study between Lesotho and South Africa. *Acta Universitatis Danubius. Economica*, 14(4), 58–71.
- Khoase, R.G., Derera, E., McArthur, B., & Ndayizigamiye, P. (2020). Barriers to start-up and sustainable growth of SMMEs: A comparative study between South Africa and Lesotho. *African Journal of Business and Economic Research*, 15(2), 135–155. <https://doi.org/10.31920/1750-4562/2020/v15n2a7>
- Kraai, N.D. (2021). *Procurement policies and sustainability on SMMEs: A case study of Gauteng Province*. Master's thesis. University of Cape Town.
- Lekhanya, L.M., & Mason, R.B. (2013). The use of marketing strategies by small, medium, and micro enterprises in rural KwaZulu-Natal. *The Southern African Journal of Entrepreneurship and Small Business Management*, 6(1), 38–53. <https://doi.org/10.4102/sajesbm.v6i1.32>

- Litheko, A. (2021). Small tourism business growth through eco-tourism in Mahikeng, South Africa. *African Journal of Hospitality, Tourism and Leisure*, 10(1), 256–269. <https://doi.org/10.46222/ajhtl.19770720-100>
- Li, D.D., & Maskin, E.S. (2021). Government and economics: An emerging field of study. *Journal of Government and Economics*, 1, 100005. <https://doi.org/10.1016/j.jge.2021.100005>
- Lin, J.Y. (2021). New structural economics: A framework of studying government and economics. *Journal of Government and Economics*, 2, 100014. <https://doi.org/10.1016/j.jge.2021.100014>
- Liu, Y., Ndubisi, N.O., Liu, Y., & Barrane, F.Z. (2020). New product development and sustainable performance of Chinese SMMES: The role of dynamic capability and intra-national environmental forces. *International Journal of Production Economics*, 230, 107817. <https://doi.org/10.1016/j.ijpe.2020.107817>
- Love, J. (2005). The rise and decline of economic structuralism in Latin America: New dimensions. *Latin American Research Review*, 40(3), 100–126. <https://doi.org/10.1353/lar.2005.0058>
- Madzimure, J. (2020). The compliance challenges of small, medium and micro enterprises in South Africa. *Eurasian Journal of Business and Management*, 8(3), 182–190.
- Madzimure, J., & Tau, L.P. (2021). Challenges facing small to medium enterprises in Metsimaholo Municipality, South Africa. *Eurasian Journal of Social Sciences*, 9(1), 14–23.
- Mbomvu, L., Hlongwane, I. T., Nxazonke, N.P., Qayi, Z., & Bruwer, J.P. (2021). Load shedding and its influence on South African small, medium and micro enterprise profitability, liquidity, efficiency and solvency. *Business Re-Solution Working paper BRS/2021/001*. <http://dx.doi.org/10.2139/ssrn.3831513>
- Meyer, D.F., & Meyer, N. (2017). Management of small and medium enterprise (SME) development: An analysis of stumbling blocks in a developing region. *Polish Journal of Management Studies*, 16.
- Mhlope, V. (2021). *An exploratory case study on the barriers, challenges, and benefits of sustainability reporting by small and medium enterprises (SMEs) in South Africa*. Master's thesis. Faculty of Commerce, Rhodes Business School.
- Moise, L.L., Khoase, R., & Ndayizigamiye, P. (2020). The influence of government support interventions on the growth of African foreign-owned SMMES in South Africa. In M.-Á. Galindo-Martín, M.-T. Mendez-Picazo, & M.-S. Castaño-Martínez (Eds.), *Analyzing the relationship between innovation, value creation, and entrepreneurship* (pp. 104–124). IGI Global.
- Mothoa, M.S., & Rankhumise, E.M. (2021). Government contribution towards the growth of small and medium-sized enterprises: Owners' perspective. *International Journal of Entrepreneurship*, 25, 1–11.
- Muriithi, S.M. (2017). *African small and medium enterprises (SMEs) contributions, challenges, and solutions*. Progressive Academic Publishing.
- Ndayizigamiye, P., & Khoase, R.G. (2018). Inhibitors of the adoption of e-commerce by SMMES in two South African cities. *International Journal of eBusiness and eGovernment Studies*, 10(1), 51–66.
- Nomnga, V.J. (2021). Empowering rural women in the hospitality industry through small, medium and micro enterprises. *International Journal of Innovation, Creativity and Change*, 15(8), 1056–1067.
- Nyangarika, A., & FSM, B. (2020). Socio-economic factors affecting deposits growth in Sacco's development case of Geita, Tanzania. *International Journal of Advance Research and Innovative Ideas in Education*, 6(2), 1273–1288.
- Ogujiuba, K.K., & Boshoff, E. (2020). SMEs and sustainable entrepreneurship in South Africa: Impact analysis of contextual factors in the services sector. *EuroEconomica*, 3(39), 7–28.
- Ouma-Mugabe, J., Chan, K.Y., & Marais, H.C. (2021). A critical review of policy instruments for promoting innovation in manufacturing small and medium enterprises (SMES) in South Africa. In C. Daniels, M. Dosso, J. Amadi-Echendu (Eds.), *Entrepreneurship, technology commercialisation, and innovation policy in Africa* (pp. 237–258). Springer. https://doi.org/10.1007/978-3-030-58240-1_11

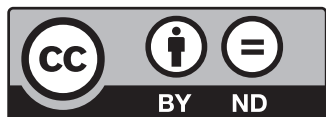
- Portes, A., Manu, I.C., & Lauren, M. (1989). *The informal economy: Studies in advanced and less developed countries*. Johns Hopkins University Press.
- Quansah, E., Hartz, D.E., & Salipante, P. (2022). Adaptive practices in SMES: Leveraging dynamic capabilities for strategic adaptation. *Journal of Small Business and Enterprise Development*, 29(7), 1130–1148. <https://doi.org/10.1108/JSBED-07-2021-0269>
- Rashid, S., & Ratten, V. (2021). Entrepreneurial ecosystems during COVID-19: The survival of small businesses using dynamic capabilities. *World Journal of Entrepreneurship, Management and Sustainable Development*, 17(3), 457–476. <https://doi.org/10.1108/WJEMSD-09-2020-0110>
- Rogerson, C.M. (1999). Small enterprise development in post-apartheid South Africa: Gearing up for growth and poverty alleviation. In K. King & S. McGrath (Eds.), *Enterprise in Africa: Between poverty and growth* (p. 8). Intermediate Technology Publications.
- Rogerson, C.M. (2008). Integrating SMMEs into value chains: The role of South Africa's Tourism Enterprise Programme. *Africa Insight*, 38(1), 1–19.
- Rogerson, C.M & Rogerson, J.M. (2021a). In-Between' Rural Tourism: Rethinking Rural Tourism Spaces for Policy Development in South Africa. *African Journal of Hospitality, Tourism and Leisure*, 10(4), 1394–1413. <https://doi.org/10.46222/ajhtl.19770720-169>
- Rogerson, C.M. & Rogerson, J.M. (2021b). The Evolution of Rural Tourism in South Africa: An Historical Lens. *African Journal of Hospitality, Tourism and Leisure*, 10(6), 1728–1740. <https://doi.org/10.46222/ajhtl.19770720-189>
- Rosalina, P.D., Dupre, K., & Wang, Y. (2021). Rural tourism: A systematic literature review on definitions and challenges. *Journal of Hospitality and Tourism Management*, 47, 134–149. <https://doi.org/10.1016/j.jhtm.2021.03.001>
- Scheba, A., & Turok, I.N. (2020). Strengthening township economies in South Africa: The case for better regulation and policy innovation. *Urban Forum*, 31(1), 77–94. <https://doi.org/10.1007/s12132-019-09378-0>
- Schirmer, S.D., & Visser, R. (2021). *What role can small and micro businesses play in achieving inclusive growth?* Johannesburg: Centre for Development and Enterprise.
- Sishuba, L.C. (2020). *Institutional framework for promoting and supporting small, micro, and medium enterprise in South Africa: Supply perspective*. Master's thesis. University of Cape Town.
- Sixaba, Z., & Rogerson, C.M. (2019). Black economic empowerment and South African tourism: The early pioneers. *African Journal of Hospitality, Tourism and Leisure*, 8(4), 1–10.
- Sixaba, Z., & Rogerson, C.M. (2023). Transformation" and Tourism Small Firm Development in South Africa: Evidence from Eastern Cape Province. *Studia Periegetica*, 1(41), 1–26. <https://doi.org/10.58683/sp.378>
- Soogun, A., & Mhlongo, L. (2021). Impact of business empowerment workshops on growth of SMMEs towards radical economic transformation. *Expert Journal of Economics*, 9, 1–8.
- Takyi, L., & Naidoo, V. (2020). Innovation and business sustainability among SMES in Africa: The role of the institutions. In *Sustainability in the entrepreneurial ecosystem: Operating mechanisms and enterprise growth* (pp. 50–74). IGI Global.
- Tang, D., & Li, X. (2021). Thoughts on innovation and entrepreneurship mode reform of college students in the context of COVID-19. *The International Journal of Electrical Engineering & Education*, 60(1), 1548–1557. <https://doi.org/10.1177/0020720920984318>
- Umadia Sr, K., & Kasztelnik, K. (2020). The financial innovative business strategies of small to medium scale enterprises in developing countries and influence for the global economy performance. *SocioEconomic Challenges*, 4(3), 20–32. [https://doi.org/10.21272/sec.4\(3\).20-32.2020](https://doi.org/10.21272/sec.4(3).20-32.2020)
- van der Watt, H. (2022). *Better lives for all?: Prospects for empowerment through marine wildlife tourism in Gansbaai, South Africa*. PhD dissertation (Development Studies). Massey University.
- Vilakazi, T., & Bosiu, T. (2021). Black Economic Empowerment, barriers to entry, and economic transformation in South Africa. In A. Andreoni, P. Mondilwa, S. Roberts, & F. Tregenna (Eds.),

- Structural transformation in South Africa: The challenges of inclusive industrial development in a middle-income country* (pp. 189–212). Oxford University Press.
- Vivence, K. (2021). Understanding the state and the role of cooperatives in South Africa: a profiling approach. *ASBBS Proceedings*, 28, 116–130.
- Weaven, S., Quach, S., Thaichon, P., Frazer, L., Billot, K., & Grace, D. (2021). Surviving an economic downturn: Dynamic capabilities of SMEs. *Journal of Business Research*, 128, 109–123. <https://doi.org/10.1016/j.jbusres.2021.02.009>
- White Paper on National Strategy for The Development and Promotion of Small Business In South Africa. (1995). https://www.gov.za/sites/default/files/gcis_document/201409/163170.pdf
- Wiid, J.A., & Cant, M.C. (2021a). The future growth potential of township SMMES: An African perspective. *Journal of Contemporary Management*, 18(1), 508–530. <https://doi.org/10.35683/jcm21005.115>
- Wiid, J.A., & Cant, M.C. (2021b). Market conditions in Gauteng townships: Conducive to business growth and sustainability. *Academy of Entrepreneurship Journal*, 27, 1–16.
- Yachin, J.M. (2020). *Behind the scenes of rural tourism: A study of entrepreneurship in micro-firms*. Thesis for Doctoral Degree in Tourism Studies. Faculty of Human Sciences. Mid Sweden University.
- Zikalala, S. (2011). Correspondence, Deputy Director Intergovernmental Relations and Policy Analysis, Department of Tourism 'Request assistance on community-based tourism: Umbrella for rural tourism and township tourism'.
- Zulu, B.C. (2021). An economic development policy implementation approach to the creation of sustainable maritime SMMES in the KwaZulu-Natal Province. In S. Bauk, S.D. Ilčev (Eds.), *The 1st International Conference on Maritime Education and Development: ICMED* (p. 297). Springer Nature. https://doi.org/10.1007/978-3-030-64088-0_26

Wsparcie rządowe dla MMŚP z branży turystyki wiejskiej na przykładzie gminy Greater Letaba w RPA

Streszczenie. Mikro-, małe i średnie przedsiębiorstwa (MMŚP) przyczyniają się w istotny sposób do rozwoju gospodarczego. Podczas gdy firmy z tego sektora odgrywają kluczową rolę w gospodarkach krajów rozwiniętych, w Republice Południowej Afryki działalność wielu z nich kończy się niepowodzeniem, szczególnie w fazie rozruchu i wzrostu. Celem opisanego w artykule badania było uzyskanie informacji o tym, jak firmy turystyczne z sektora MMŚP w RPA oceniają dostępność i skuteczność wsparcia rządowego. Uzyskane wyniki wskazują, że pomimo programów i inicjatyw wskaźnik niepowodzeń w tym sektorze pozostaje wysoki. Do głównych wyzwań badani respondenci zaliczyli dużą liczbę przepisów, które ograniczają zakres ich działalności i mogą stanowić zagrożenie dla przetrwania. Zdaniem autorów, agencje rządowe odpowiedzialne za pomoc potrzebują więcej informacji o sytuacji potencjalnych beneficjentów, aby programy wsparcia były lepiej dopasowane i uwzględniały specyficzne potrzeby różnych przedsiębiorstw.

Słowa kluczowe: MMŚP, programy wsparcia rządowego, przedsiębiorczość, wsparcie finansowe, wsparcie marketingowe



Copyright and license. This article is published under the terms of the Creative Commons Attribution — NoDerivates 4.0 International (CC BY-ND 4.0) License, <https://creativecommons.org/licenses/by-nd/4.0/>