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Developing a Conceptual Framework of African Immigrant Entrepreneurship in the South African Context

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Abstract: **Background:** Studies on immigrant entrepreneurship have generally focused on problems, features, and success aspects, whereas minimal attention has been paid to building a conceptual framework for understanding African immigrant entrepreneurship in South Africa.
Research objectives: This study aimed to construct an empirically informed conceptual framework of African immigrant entrepreneurship in South Africa.
Research design and methods: A qualitative research method was used, involving semi-structured interviews with 22 African immigrant entrepreneurs and their employees. Data were gathered using purposive and convenience sampling and analysed using thematic analysis.
Results: The results show that home-country entrepreneurial experiences, entrepreneurial resources, opportunity recognition, social ethnic support, and the host-country entrepreneurial ecosystem all influence African immigrant entrepreneurship, enabling new venture creation and economic contributions.
Conclusions: This research develops a conceptual framework that enhances our understanding of African immigrant entrepreneurship and gives both theoretical and practical perspectives to academics, policymakers, and entrepreneurship development practitioners in South Africa.
Keywords: African immigrant entrepreneurs, African immigrants, entrepreneurship, entrepreneurs, South Africa, financial resources
JEL Codes: J15, L26, M10

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Introduction

Globalisation and growing entrepreneurial mobility have produced more diverse business settings and new business formation (Kassaye et al., 2025). Immigrant entrepreneurship is widely recognised as a key driver of economic development in countries such as the United States, Canada, Australia, and the United Kingdom (Anderson & Platzer, 2006; David & Terstriep, 2025).

Ngota et al. (2019) define immigrants as individuals who leave their home countries to settle in another nation, either temporarily or permanently. In South Africa, restricted employment opportunities and labour market discrimination frequently prompt immigrants to start their own businesses (Khosa & Kalitanyi, 2015).

Previous studies on immigrant entrepreneurship examined entrepreneurial challenges, characteristics, and success factors, while studies on African immigrant entrepreneurship concentrated on the challenges immigrant entrepreneurs face (Khosa & Kalitanyi, 2015; Ngota et al., 2017). However, little is known about how African immigrant entrepreneurship contributes to economic development in South Africa, and no comprehensive conceptual framework currently explains this process (Tengeh, 2011; Khosa & Kalitanyi, 2015). Moreover, most theoretical research comes from developed countries, with limited attention to developing-country contexts, particularly Africa (Kloosterman, 2006; Fairlie & Lofstrom, 2015; Urban et al., 2024).

Starting a new business in the host nation poses many obstacles for African immigrant entrepreneurs, including limited access to start-up finance, restricted business premises, violence, and Afrophobia (Urban et al., 2024). Despite these barriers, many immigrant-owned businesses show remarkable resilience. Previous research demonstrates that immigrant-owned businesses often begin with higher start-up capital and are more likely to generate employment than non-immigrant-owned businesses (Fairlie, 2013).

Against this background, this study investigated the entrepreneurial activities of African immigrant entrepreneurs in South Africa to create a conceptual framework that explains African immigrant entrepreneurship and its contribution to the developing economy. This article addresses the lack of theoretical understanding of African immigrant entrepreneurship in South Africa and underscores the importance of a contextually grounded conceptual framework. By integrating empirical evidence with current theory, this study advances our understanding of entrepreneurial processes, opportunities, and constraints that African immigrant entrepreneurs face, and it lays the groundwork for future research and policy development.

Research Objectives

The primary objective of this study was to construct a conceptual framework of African immigrant entrepreneurship in South Africa. This objective was achieved through these secondary objectives:

- Examine the immigrant entrepreneurial process influencing African immigrant entrepreneurship in South Africa.
- Examine the process of new venture creation and operation among African immigrant entrepreneurs in South Africa.
- Examine the influence of the immigrant entrepreneurial ecosystem on African immigrant entrepreneurship in South Africa.
- Examine the role of social and ethnic support in African immigrant entrepreneurship.
- Examine the contribution of African immigrant entrepreneurship to economic development in South Africa.
- Provide recommendations for strengthening African immigrant entrepreneurship in South Africa.

Literature Review

Given the multiple socio-economic disparities around the world, there has been a proliferation of discourse on entrepreneurship and immigrant entrepreneurship, particularly on African immigrant entrepreneurship. This section reviews the available literature on this topic to identify existing knowledge gaps.

Immigrant Entrepreneurship

Immigrant entrepreneurship has attracted growing scholarly attention in the twenty-first century, with studies concentrating on embeddedness, ethnic social networks, opportunity recognition, and venture development (Amuedo-Dorantes & Mundra, 2007; David & Terstriep, 2025). Immigrant entrepreneurship in enclave economies has also drawn study, alongside distinctions between first- and second-generation immigrant entrepreneurs (Min & Bozorgmehr, 2000; Werbner, 2001). This literature shows that immigrant entrepreneurs contribute significantly to host-country economies by starting businesses, creating jobs, innovating, and generating wealth (Saxenian, 1999; Kalitanyi, 2007; Fatoki & Patswawairi, 2012; Fairlie, 2013). Despite these contributions, more research is needed to advance the theory and conceptualisation of immigrant entrepreneurship, particularly in developing countries. While the larger immigrant entrepreneurship literature is well established, scholars pay little attention to African immigrant entrepreneurship in South Africa, where entrepreneurs operate in diverse institutional, social, and economic contexts. This gap motivates the current investigation.

African Immigrant Entrepreneurship

Research on African immigrant entrepreneurship has revealed that entrepreneurial performance reflects both pre-migration and post-migration experiences, as well as their interaction (Guler, 2005). African immigrant entrepreneurs in South Africa face a complex institutional framework in which regulations, legislation, social attitudes, and cultural norms all affect business establishment and growth. At the same time, social and ethnic networks continue to be valuable resources because they provide access to information, capital, labour, and economic opportunities (Aldrich & Zimmer, 1986; Light & Gold, 2000). Research also shows that structural barriers, such as discrimination, a lack of entrepreneurial networks, and limited access to resources, frequently impede the growth of African immigrant-owned businesses (Fairlie & Robb, 2008). These difficulties underscore the need for more theoretical and empirical research on African immigrant entrepreneurship, especially in emerging economies like South Africa. Therefore, by creating a conceptual framework that explains African immigrant entrepreneurship in the South African environment, this study extends the body of knowledge.

Migration Theory

Several theories and hypotheses seek to explain the origins and nature of entrepreneurship. However, migration theories (e.g., Lee, 1966) provide the fundamental theoretical underpinning for this work. The model by Lee (1966) emphasises the push and pull factors that drive migration and explains why African immigrants leave home nations to establish enterprises in their new countries. Migration theories offer an important lens for analysing the movement of African immigrants and the entrepreneurial endeavours arising within the host nation.

Entrepreneurial Process Theory

The personal trait theory (Digman, 1990; Goldberg, 1990), which highlights the distinctive characteristics and personality traits of entrepreneurs, ranks among the most significant theories motivating entrepreneurial activities. Opportunity-based entrepreneurship studies highlight the role that recognising and exploiting opportunities plays in business ventures (Drucker, 1985; Stevenson, 2000). Resource-based entrepreneurship research (Penrose, 1959) examines the tools and resources entrepreneurs use to start and grow their enterprises.

The entrepreneurial process model outlines the actions and processes necessary for starting and expanding a business (Bygrave, 2004; Timmons & Spinelli, 2009). According to the Timmons and Spinelli (2009) model, what constitutes the entrepreneurial process is opportunity identification, resource mobilisation, and venture establishment. This model helps explain how African immigrant business owners identify opportunities, gather resources, and launch businesses in South Africa.

Entrepreneurial Ecosystem Theory

Another notable approach offering a comprehensive assessment of entrepreneurial activity and its impact on economic development is the Global Entrepreneurship Monitor (GEM) framework (Bosma & Levie, 2010). Isenberg (2011) asserts that the entrepreneurial ecosystem concept emphasises the critical role institutions, infrastructure, and culture play in shaping entrepreneurial activity.

The main theoretical pillar of this study was the entrepreneurial ecosystem theory by Isenberg (2011), whose approach examines the institutional, cultural, and infrastructural factors that shape African immigrant entrepreneurs' business endeavours in their host country. Thus, the theory offers a crucial basis for understanding the contextual elements that encourage or hinder African immigrant entrepreneurship in South Africa.

Conceptual Framework of African Immigrant Entrepreneurship

This study developed a conceptual framework for African immigrant entrepreneurship in South Africa by integrating three complementary theoretical perspectives: migration theory (Lee, 1966), entrepreneurial process theory (Timmons & Spinelli, 2009), and entrepreneurial ecosystem theory (Isenberg, 2011). Together, these theories explain why African immigrants relocate, how they identify opportunities and start firms, and how the host-country environment shapes entrepreneurial activity and outcomes.

The framework rests on empirical evidence from interviews with African immigrant entrepreneurs and their employees, and immigrant entrepreneurship research. The findings demonstrate that home-country entrepreneurial experiences, opportunity recognition, resource mobilisation, social ethnic support, and the host-country entrepreneurial ecosystem jointly influence business creation, operation, and economic output in South Africa.

The framework comprises six interconnected elements: African immigrant entrepreneurship, social ethnic support, immigrant entrepreneurial ecosystem, new venture creation and operation, immigrant entrepreneurial process, and economic contribution. Together, these elements explain African immigrants' entrepreneurial journeys and their ventures' outcomes in South Africa. Figure 1 depicts the proposed conceptual framework.

Components of the Framework

Six interconnected elements constitute the conceptual framework, which together explain African immigrant entrepreneurship in South Africa:

Immigrant Entrepreneurial Process

This component describes the entrepreneurial path of African immigrants. It emphasises business opportunities, entrepreneurial resources, and the entrepreneur. The study shows that entrepreneurial activities in the host nation reflect entrepreneurial skills and experiences

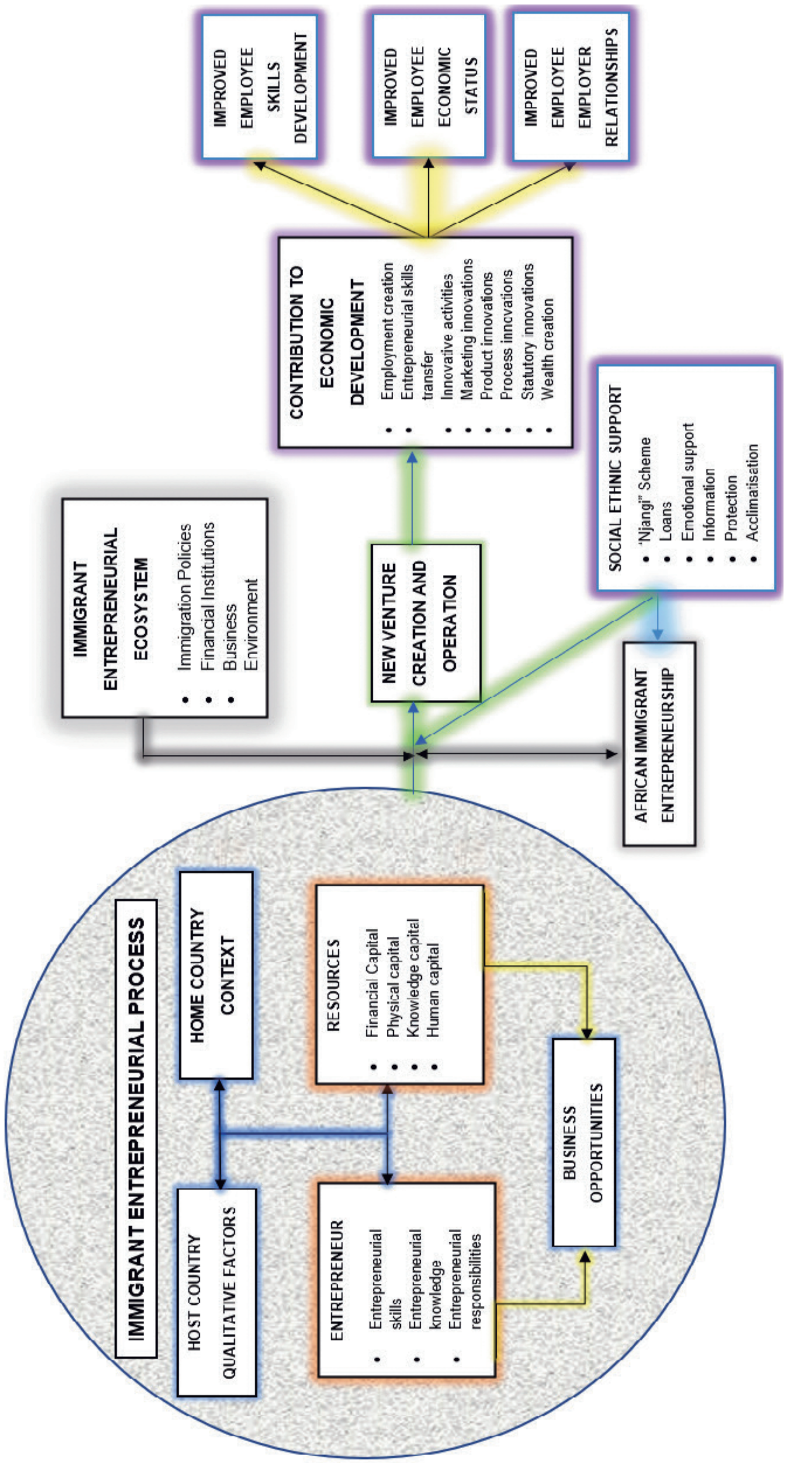

Figure 1. Conceptual Framework of African Immigrant Entrepreneurship Based on Findings

Source: own elaboration.

acquired in the country of origin, especially through apprenticeships, family-owned businesses, formal education, and prior entrepreneurial exposure.

New Venture Creation and Operation

This component explains how African immigrant entrepreneurs start and operate businesses. Entrepreneurs form new firms by identifying opportunities and mobilising resources. Entrepreneurs can start firms in either the formal or informal sector, and they typically begin as sole proprietors before expanding their activities.

Immigrant Entrepreneurial Ecosystem

The entrepreneurial ecosystem captures the setting in which immigrant businesses operate in their host countries. The framework highlights the role of financial resources, business premises, information, labour, transport, networks, and institutional support in shaping entrepreneurial success.

Social Ethnic Support

Social ethnic support encompasses the networks and community organisations that aid African immigrant entrepreneurs. Family members, friends, ethnic networks, and informal financing arrangements such as *njangi* or *tontine* systems provide financial, emotional, and informational support for business start-up and expansion.

African Immigrant Entrepreneurship

The framework's central theme is African immigrant entrepreneurship. It depicts the entrepreneurial engagement of African immigrants within the South African context and highlights the interplay of migratory experiences, entrepreneurial processes, ecosystem conditions, and social support networks.

Contribution to Economic Development

The final component of the framework captures the outcomes of African immigrant entrepreneurship. The findings show that immigrant-owned enterprises help drive economic development by creating jobs, generating income, transferring entrepreneurial skills, innovating, and paying taxes. These contributions boost economic activity and advance overall socioeconomic development in the host country.

Research Method and Material

Research Design and Paradigm

This study investigated the experiences of African immigrant entrepreneurs in South Africa using a phenomenological research approach within an interpretive research paradigm. The researchers used a qualitative design to gain a comprehensive understanding of the entrepreneurial experiences, perspectives, and realities of African immigrant entrepreneurs and their workers. The qualitative technique enabled the collection of rich and contextualised data using semi-structured interviews.

Population and Sampling

The study targeted African immigrant entrepreneurs who own businesses in South Africa and their workers. To locate appropriate individuals, a non-probability sampling strategy was adopted, combining purposive and convenience sampling techniques. The final sample included 22 participants: 12 African immigrant entrepreneurs and ten workers from the Free State, Eastern and Western Cape provinces. Entrepreneurs who participated in the study had to be at least 18 years old, have been in business for at least a year, and be actively involved in managing their operations. Workers had to be at least 18 years old and have worked at an African immigrant-owned firm for at least a year. The absence of an official database of African immigrant entrepreneurs in South Africa influenced the sampling approach.

The researchers included both African immigrant entrepreneurs and their employees in the study to obtain a more complete picture of entrepreneurial activities and business operations. While entrepreneurs shared firsthand accounts of venture creation, opportunity recognition, resource mobilisation, and strategic decision-making, workers presented an independent account of how these entrepreneurial activities were implemented and experienced within the enterprise. Their perspectives corroborated entrepreneurs' accounts of business operations, entrepreneurial skill transfer, creativity, and day-to-day management practices, adding credibility to the findings through data triangulation. Including both participant groups provided a more complete understanding of African immigrant entrepreneurship and informed the development of the proposed conceptual framework, which captures both entrepreneurial decision-making and its practical implementation within immigrant-owned businesses.

Participant Demographics

The entrepreneur participants were primarily male (11 participants), with only one female participant. Many participants were between 40 and 50 years old. Most came from Cameroon and Nigeria, with a smaller number from the Democratic Republic of the Congo. Their business experience in South Africa varied from three to 21 years, and many owned small firms hiring one to ten people. The employee participants were six women and four men, most of whom were South African citizens. The demographic profile offers significant insights into the characteristics of African immigrant businesses and workers in South Africa.

Data Collection

The researchers gathered primary data through semi-structured face-to-face interviews with African immigrant entrepreneurs and their workers. The interview approach enabled participants to share their experiences, perspectives, and opinions on African immigrant entrepreneurship in South Africa. Before the main investigation, the researchers undertook a pilot study to assess the suitability of the interview schedule and protocol. Data were collected between June and September 2023.

Data Analysis

Data analysis involved data cleansing, reduction, coding, and thematic analysis. The researchers used manual coding to encourage close engagement with the data and identify recurring patterns, themes, and connections that emerged from participant experiences. The themes identified through thematic analysis formed the foundation of the conceptual framework of African immigrant entrepreneurship proposed in this study.

Trustworthiness

The researchers adopted several techniques to ensure the trustworthiness of the study, including data triangulation, analyst triangulation, member checking, and external audits. These strategies sought to establish credibility, transferability, dependability, and confirmability (Braun & Clarke, 2006; Khoa et al., 2023). Credibility was established through data triangulation, where secondary sources corroborated interview results, and analyst triangulation, where all authors participated in data collection and analysis. The researchers also conducted member checking, allowing participants to review and provide feedback on the analysis results. Transferability was strengthened by detailed descriptions of the data, integrating quotes to highlight participants' experiences and voices. An external audit was conducted to ensure dependability, with senior scholars reviewing the data and findings. Finally, confirmability was established through reflexive discussions among the researchers and senior scholars who were not involved in the study, strengthening the interpretations.

Results

Analysis of the interview transcripts revealed interconnected variables that explain how African immigrant entrepreneurs start, sustain, and expand enterprises in South Africa. The results are grouped into six conceptual framework components: immigrant entrepreneurial process, immigrant entrepreneurial ecosystem, African immigrant entrepreneurship, social ethnic support, new venture creation and operation, and economic contribution. The findings integrate the complementary perspectives of both African immigrant entrepreneurs and their employees. While entrepreneurs recounted their entrepreneurial experiences, employees corroborated these accounts by providing independent perspectives on business operations, entrepreneurial skill transfer, innovation, and employment practices, thereby adding credibility to the findings and informing the proposed conceptual framework.

Findings on Immigrant Entrepreneurial Process

This component captures the entrepreneurial path preceding business development. The findings fall into five sub-themes: home-country context, reasons for migration, entrepreneurial knowledge and skills, resource mobilisation, and opportunity recognition.

Home Country Context

Most participants described previous participation in business activities before migrating to South Africa. This participation included small business ownership, engagement in family businesses, and informal business activities.

– **P1** explained: 'when I graduated from the university, I spent a few years running a business of my own before I left for South Africa.'

Participants P2 and P12 reported similar experiences, but P1 further recounted getting entrepreneurial expertise through a family firm.

Reasons for Migration. Participants reported migrating to South Africa for economic, political, and educational reasons. Economic difficulty emerged as one of the most common migration drivers.

– **P6** stated: 'the thing that made me to leave my home country to travel to South Africa was to look for a better life because things were not moving well back home economically.'

Political instability also drove migration among individuals from conflict-affected countries.

– **P2** explained: 'I came to South Africa because I ran away from the war in my country.'

Similar experiences came from participants P4, P5, and P7, who cited violence, economic difficulties, and educational opportunities as motivators for migration.

Entrepreneur

The results showed that African immigrant entrepreneurs gained entrepreneurial knowledge and skills in a variety of ways before and while developing their businesses in South Africa. These pathways included family business exposure, apprenticeship or traineeship, formal education, and work experience.

Entrepreneurial Skills and Knowledge Acquisition. Participants gained entrepreneurial knowledge and skills through family businesses, apprenticeships, formal education, and hands-on business experience. Participants frequently cited family enterprises as a valuable source of entrepreneurial learning.

– **P11** explained: 'I gained a lot of training from my mother, because she had to educate me on how to sell goods to customers and how to deal with customers as well as how to manage the business.'

Apprenticeship also emerged as a leading entrepreneurial learning approach.

– **P3** stated: 'I learned this job and how to operate this form of business back from my home country in the form of traineeship.'

Participants P2, P4, P6, and P7 reported similar experiences, citing apprenticeships, formal schooling, and work experience as major sources of entrepreneurial learning.

Resource Mobilisation

The findings showed that access to resources was crucial for business start-up and operation. Participants identified financial, physical, knowledge, and human capital as the essential resources required during the entrepreneurial process.

Financial Capital. Financial capital emerged as the main resource needed to start their businesses. Participants reported that financial resources were essential to secure premises, acquire equipment, obtain stock, and support business operations.

– **P1** stated: 'financial capital was the main resource needed to establish my business.'

– **P12** explained: 'I needed capital; I mean financing, which was the most important resource.'

Participants P3, P4, P5, P7, and P12 offered similar narratives, describing reliance on personal savings, sometimes supplemented by family support or personal loans, while typically avoiding institutional finance because of debt and repayment obligations.

Physical Capital. Participants identified business premises, materials, equipment, and transport as key physical resources needed to start and operate their businesses.

– **P5** noted: 'The main resource that I needed to enable me start-up my business was the location for the business.'

Participants P10 and P11 shared similar perspectives, emphasising the necessity of business premises, workshop space, and transport for daily operations.

Knowledge Capital. Participants highlighted market knowledge and information as valuable resources for entrepreneurial success. Information about suppliers, consumers, market demand, and business activities supported more informed decision-making.

– **P6** explained: 'information resources was another very important thing, because I needed to know where to go and buy stock for the business.'

Human Capital. Participants identified labour as a critical resource for business growth and operational efficiency, particularly when business activities exceeded the entrepreneur's own capacity.

– **P9** stated: 'I needed other resources such as labourers to assist the business operate.'

The results indicate that resource mobilisation formed a core element of the immigrant entrepreneurial process, with entrepreneurs relying on financial, physical, knowledge, and human resources to launch and grow their enterprises. During venture creation, most participants depended heavily on personal resources and informal support.

Business Opportunities

Participants identified business opportunities by observing unmet market needs, environmental conditions, and market gaps.

– **P2** explained: 'I realised that there was a huge gap in the market, because many people who had phone problems could not have access to cheaper repairs.'

Participant P4 had similar experiences, identifying unmet market demands as a potential business opportunity.

Findings on Immigrant Entrepreneurial Ecosystem

The results show that the immigrant entrepreneurial ecosystem shapes business start-up and operation through immigration policies, financial institutions, and the broader business environment. Participants described both supportive and challenging experiences within the host-country ecosystem.

Immigration Policies

Many participants reported that immigration policies did not prevent them from starting businesses provided that they possessed the required documents.

– **P1** explained: 'Having the right documentation to reside in South Africa will assist you to operate your business with a peace of mind.'
– **P5** recalled: 'Honestly, the immigration policies of this country discourage an immigrant like me from starting a business in South Africa.'

Participant P11 reported similar experiences, describing both enabling and constraining immigration policies. The results indicate that entrepreneurs' experiences in the host country depended on their legal residency status.

Financial Institutions

Participants viewed formal financial institutions as inaccessible and depended heavily on personal savings and informal financial support.

– **P2** remarked: 'I did not approach the bank for financial assistance because I knew that I was not going to have any favourable response.'
– **P6** explained: 'I tried one of the banks, but I did not get any loan from the bank I approached.'

The results demonstrate that, owing to perceived and actual barriers to obtaining formal financing, entrepreneurs relied mainly on personal savings and informal financial assistance.

Business Environment

Participants perceived the South African business environment as encouraging entrepreneurship and business growth through exploitable market gaps.

– **P4** explained: 'I realised that there was a big gap in the market because many people could not have cheaper alternatives.'
– **P12** remarked: 'I established this business because I saw an opportunity that I took advantage of, and I am benefiting from the opportunity.'

The findings show that the host-country business environment provided opportunities for entrepreneurs able to identify and capitalise on unmet market demands.

Findings on African Immigrant Entrepreneurship

This component reflects traits unique to African immigrant entrepreneurial actions in South Africa. Participants reported that they combined previous entrepreneurial experiences, acquired skills, opportunity recognition, and migration experiences to start businesses in the host nation. African immigrant entrepreneurs demonstrated strong entrepreneurial adaptability, self-reliance, and resilience despite resource limitations and institutional barriers. Most participants reported using skills acquired in their home nations and transferring them to the South African business environment.

– **P3** explained: 'The skills that I gained in my home country's environment enabled me to benefit from the opportunities that appeared in my host country's environment.'
– **P10** added: 'It was not easy for me, but I worked hard and tried to save money so that I could raise the funds needed to start the business.'

The findings reveal that African immigrant entrepreneurship rests on the integration of previous entrepreneurial experience, acquired skills, opportunity recognition, and resilience in creating and sustaining enterprises in South Africa.

Findings on Social Ethnic Support

The findings indicated that social and ethnic support facilitated business establishment and operation through financial, informational, and emotional assistance from family members, friends, and wider social networks.

– **P5** explained: 'I received some financial support from my family back from my home country, which assisted me a lot in setting up the business.'

Participants emphasised the value of knowledge and business advice obtained through their social networks.

– **P6** stated: 'the information resource was another very important thing, because I needed to know where to go and buy stock for the business.'

P8 reported similar experiences, including obtaining support from close family members throughout business establishment.

Findings on New Venture Creation and Operation

The findings revealed that African immigrant entrepreneurs launched their enterprises through a variety of entry points, including business acquisition and new venture creation. Participants also viewed financial capital mobilisation as critical for business creation and growth.

– **P2** explained: 'my employer told me that he wanted to leave South Africa and offered me the opportunity to buy the business.'
– **P3** remarked: 'I used my small savings to start-up my business and it grew over the years to give me enough savings that provided me with the capital to expand the business.'

Participant P1 reported similar experiences, including buying existing companies, depending on personal savings, and avoiding institutional financing while starting a firm.

Findings on Economic Contributions

The results demonstrated that through tax compliance, job creation, entrepreneurial skill transfer, innovation, and business expenditure, African immigrant entrepreneurs contributed to economic development. Participants explained that by paying taxes, creating jobs, buying products and services, and sustaining household livelihoods, their enterprises generated positive economic impacts at both the household and broader community levels.

- **P2** explained: 'the business is contributing because I am paying taxes to SARS.'
- **P2** added: 'I'm paying salaries to my employees; I am paying rents. So, I am positive that it is contributing to the economy.'

  Employees' narratives further corroborated these claims.
- **P13** explained: 'Since I started working for my current employer, things have been much better for me and my family.'

Participants P1, P4, P6, and P21 reported similar experiences, including raising household incomes, generating employment opportunities, boosting economic activity through business operations, and contributing to government revenue through tax payments.

Employment Creation

Participants foregrounded hiring employees, paying salaries, and supporting the livelihoods of workers and their families.

- **P12** remarked: 'I have about ten employees who are working in the business, which means that my business is creating jobs, making the business an employer.'

  Employees' narratives complemented these sentiments:
- **P13** stated: 'I think I would still be unemployed, and we would still be struggling to put food on our table and to get other essential commodities to help us survive.'

Participants P1, P2, P14, P18, and P22 recounted similar experiences, describing job creation, salary payments, and rising household income stemming from African immigrant-owned enterprises.

Entrepreneurial Skill Transfer

The results showed that African immigrant entrepreneurs transferred entrepreneurial knowledge and skills to their employees through training, mentoring, apprenticeship, and workplace learning.

- **P10** explained: 'it is possible that they may leave here and open their own, similar businesses.'

  Employee narratives corroborated this finding.
- **P22** stated: 'when I came here, I was empty, I knew nothing about running a restaurant and what to do or how to do it. But my boss has been able to transfer some of the skills needed to operate this business to me.'

Participants P4, P8, P13, P14, and P15 described how they learned managerial, technical, and entrepreneurial skills through job training and hands-on business experience.

Innovative Activities

The results indicated that African immigrant entrepreneurs contributed to economic growth through market, product, and process innovations. To stay competitive, participants reported implementing new packaging techniques, product enhancements, pricing schemes, and business procedures.

- **P12** explained: 'I think we bring in product innovation, process innovation and marketing innovation.'
- **P3** stated: 'this business adds to process innovation because we are significantly improving our techniques based on how the technology advances.'

Participants P1, P9, and P10 expressed similar views, describing how they refined marketing approaches, product packaging, repair processes, and customer service to strengthen firm competitiveness.

Statutory Requirements

The findings indicated that most participants registered their businesses and met all regulatory obligations, such as tax registration and payment through the South African Revenue Service (SARS).

– **P2** explained: 'Yes, the business is registered with SARS and pays taxes.'

Some participants, however, stated that their entities were not registered.

– **P4** explained: 'since it is a small shop and it is not registered; I do not pay taxes.'

Overall, participants displayed varying levels of statutory compliance, highlighting the regulatory aspect of African immigrant entrepreneurship in South Africa.

Discussion

Discussion on Immigrant Entrepreneurial Process

The immigrant entrepreneurial process begins before business establishment, implying that entrepreneurial potential grows as knowledge and experience accumulate before migration. Within the proposed framework, pre-migration experiences serve as the foundation for entrepreneurial decisions and venture creation. This explanation aligns with entrepreneurial process theory (Timmons & Spinelli, 2009) and earlier research indicating that immigrant entrepreneurs transmit accumulated human capital and entrepreneurial expertise across national settings (Brzozowski et al., 2017; Bagwell, 2018).

Migration creates the environment in which entrepreneurial capability translates into entrepreneurial action. Economic hardship, political instability, violence, and educational goals all drove relocation, while the host-country environment provided opportunities for venture creation. This explanation is consistent with Lee's (1966) migration theory, which states that the interaction of push and pull variables affects entrepreneurial movement (Pedersen et al., 2008). The findings also imply that opportunity recognition connects pre-migration capabilities to business formation by enabling entrepreneurs to recognise and capitalise on unmet market demands (Hurst & Lusardi, 2004; Kim et al., 2006; Wexler & Largent, 2023).

Discussion on Immigrant Entrepreneurial Ecosystem

The findings demonstrate that the entrepreneurial ecosystem provides the institutional context for African immigrant entrepreneurship. Within the proposed framework, immigration laws, access to finance, and the broader economic environment either promote or hinder entrepreneurial activity. This interpretation is consistent with entrepreneurial ecosystem theory (Isenberg, 2011), which acknowledges that entrepreneurial success depends on the interaction between entrepreneurs and their institutional environment.

The findings further indicate that institutional legitimacy underpins business viability. Legal documentation enables participation in the formal economy, whereas regulatory restrictions limit entrepreneurial potential, indicating how institutional conditions shape firm performance. Financial exclusion remains a substantial barrier to African immigrant entrepreneurship, limiting business expansion and reinforcing reliance on informal sources of credit. This explanation complements prior studies that identified access to capital as a recurring barrier for immigrant entrepreneurs (Khosa & Kalitanyi, 2015; Kazlou & Klinthall, 2019).

Despite institutional barriers, the South African business environment continues to enable entrepreneurial activity through unmet market demands. This finding demonstrates that entrepreneurial potential can coexist with institutional restrictions, which supports earlier research indicating that opportunity-rich environments stimulate entrepreneurship despite regulatory constraints (Chrysostome, 2010; Kazlou & Wennberg, 2023).

Discussion on New Venture Creation and Operation

The findings demonstrate that new venture development among African immigrant entrepreneurs is a dynamic process rather than a single mode of business entry. Within the proposed framework, entrepreneurial activity includes business formation, acquisition, and expansion, illustrating that venture development is an evolving process influenced by available opportunities and entrepreneurial experience. Resource mobilisation emerged as a fundamental component of venture creation. Limited access to formal funding increased reliance on internally generated resources, underscoring the necessity of entrepreneurial resourcefulness during business formation.

This explanation complements prior research indicating that self-financing remains a common strategy among immigrant entrepreneurs (Hurst & Lusardi, 2004; Kim et al., 2006). The findings further suggest that venture sustainability depends on entrepreneurs' ability to adapt continually to changing market conditions and exploit emerging opportunities. This interpretation reinforces entrepreneurial process theory (Timmons & Spinelli, 2009), which views venture creation as a continuous process of opportunity recognition, resource mobilisation, and adaptation rather than a one-off entrepreneurial event.

Discussion on African Immigrant Entrepreneurship

The findings indicate that African immigrant entrepreneurship reflects the interplay of migratory experiences, entrepreneurial capability, and adaptation to the host-country environment. Within the proposed framework, entrepreneurial success rests not only on personal resilience, but also on the ability to transfer and apply entrepreneurial knowledge across national settings. This interpretation emphasises the transnational dimension of immigrant entrepreneurship. The findings further indicate that entrepreneurial success depends on the effective mobilisation of human and financial capital despite institutional constraints. This interpretation supports previous research demonstrating that entrepreneurial capability and resource mobilisation are central to immigrant business success (Evans & Jovanovic, 1989; Holtz-Eakin et al., 1994).

Discussion on Social Ethnic Support

The findings indicate that social and ethnic support acts as an important source of social capital within African immigrant entrepreneurship. Within the proposed framework, these networks facilitate access to entrepreneurial resources, information, and business opportunities, thereby supporting venture creation and business growth. This interpretation aligns with previous studies identifying ethnic networks as valuable sources of social capital that facilitate immigrant entrepreneurship (Aldrich & Zimmer, 1986; Light & Gold, 2000). The findings further indicate that social capital lowers information barriers, enhances resource mobilisation, and improves business sustainability. This perspective underscores the significance of trust-based relationships and entrepreneurial networks in supporting immigrant business development (Waldinger et al., 1990; Chrysostome, 2010).

Discussion on Economic Contribution

The results demonstrate that economic contribution represents the outcome of the entrepreneurial process within the proposed conceptual framework. Employment creation, entrepreneurial skill transfer, innovation, and statutory compliance reveal how African immigrant entrepreneurship contributes to economic participation and growth beyond business ownership. Employment creation shows that African immigrant entrepreneurship contributes directly to local economic development by expanding employment opportunities and strengthening household livelihoods. This interpretation supports previous studies identifying immigrant entrepreneurship as a significant source of employment and economic growth (Fatoki & Patswawairi, 2012; Fairlie, 2013).

Entrepreneurial skill transfer further broadens the developmental impact of immigrant entrepreneurship by enhancing human capital and stimulating future entrepreneurial activity, consistent with Kalitanyi and Visser (2010). Innovation also strengthens economic development by improving business competitiveness and responding to changing market demands, reinforcing previous research on the economic dynamism of immigrant entrepreneurship (Fairlie & Lofstrom, 2015; David & Terstriep, 2025). Compliance with business registration, taxation, and labour regulations likewise demonstrates participation in the formal economy and contributions to public revenue.

Conclusion and Recommendations

The research yields significant insights into the experiences of African immigrant entrepreneurs in South Africa by developing a conceptual framework that explains the interaction between home-country skills, the immigrant entrepreneurial process, the entrepreneurial ecosystem, and entrepreneurial agency. The results reveal that African immigrant entrepreneurs are driven by a mix of push and pull variables, while creating successful businesses depends on opportunity identification, entrepreneurial skills and knowledge, resource mobilisation, and adjustment to the host country environment. By allowing entrepreneurs to mobilise resources, share expertise, and manage risks, access to financial capital, social networks, and cultural resources – including ethnic support systems like the 'njangi' funding scheme – further enhances entrepreneurial endeavours. These results indicate that African immigrant entrepreneurship arose through the interaction of entrepreneurial capacities, opportunity identification, institutional conditions, and migration experiences, thereby offering empirical support for the suggested conceptual framework and contributing to the evolving body of knowledge on immigrant-owned firms.

Based on the results, the following recommendations are proposed. Firstly, legislators should consider creating a formal policy framework that recognises and encourages African immigrant entrepreneurship in South Africa. Strengthening the security and safety of African immigrant entrepreneurs, encouraging their socioeconomic inclusion, and expanding government small, medium-sized, and micro enterprise (SMME) support programmes to eligible immigrant-owned firms could jointly drive entrepreneurial development and economic inclusion. Secondly, apprenticeship programmes based on practical skill transfer should be legislated and implemented to provide entrepreneurship learning opportunities for young South Africans who want to start their own enterprises, thereby contributing to job creation and economic development. Thirdly, financial literacy activities that encourage saving and improve financial preparedness should be promoted to reduce entrepreneurs' reliance on external financing.

Future research should examine realistic savings models that encourage entrepreneurship and increase access to start-up finance. Finally, government and municipal authorities should continue investing in accessible transport infrastructure and affordable commercial premises to create enabling environments for the development, growth, and sustainability of entrepreneurial initiatives.

Implications, Limitations, and Suggestions for Further Research

This section discusses the theoretical, policy, and practical implications of the study, acknowledges its limitations, and outlines directions for future research. Together, these considerations highlight the study's contributions while also noting its limitations and prospects for further refinement and validation of the proposed theoretical framework.

Model Implications

The proposed conceptual framework carries significant theoretical, policy, and practical implications. Theoretically, the study deepens our understanding of African immigrant entrepreneurship by integrating migration experiences, the entrepreneurial process, entrepreneurial ecosystem elements, and entrepreneurial agency into a coherent conceptual framework. The proposed framework offers a comprehensive approach that could inform future research on immigrant entrepreneurship in South Africa and other settings.

From a policy standpoint, the findings underscore the need for a more supportive institutional framework for African immigrant entrepreneurs. The study emphasises the role of immigration policies, financial inclusion, entrepreneurial skill development, infrastructure, and business support programmes in promoting entrepreneurial activity. In practice, the findings offer important insights for policymakers, entrepreneurship support organisations, municipalities, and development agencies seeking to build inclusive entrepreneurial ecosystems and strengthen the sustainability of African immigrant-owned enterprises.

Limitations of the Study

This study has several limitations that must be acknowledged when evaluating the results. Firstly, the qualitative research design and small sample size of African immigrant entrepreneurs and their workers aimed to provide detailed contextual insights rather than statistical generalisations. Secondly, the study concentrated solely on African immigrant businesses based in South Africa. Consequently, the proposed conceptual framework may not directly apply to other immigrant groups or country contexts without additional empirical validation. These limitations do not diminish the findings' usefulness; rather, they create opportunities for future research to test, enhance, and validate the framework across other immigrant populations and geographical contexts.

Suggestions for Further Research

Future studies could expand the research population and sample to include immigrant entrepreneurs of various nationalities operating throughout South Africa, providing a more comprehensive understanding of the opportunities and challenges associated with immigrant entrepreneurship. Future research should also empirically evaluate and refine the proposed conceptual framework across varied geographical and socioeconomic settings to determine its relevance beyond the current study. Further research should examine the impact of governmental interventions, entrepreneurial support programmes, financial inclusion measures, and mentorship in fostering the growth and sustainability of African immigrant entrepreneurship.

Furthermore, future research could investigate the extent to which entrepreneurial knowledge and skills acquired by African immigrant entrepreneurs can be transferred to South African residents through apprenticeship and mentorship programmes. Finally, new studies could examine the impact of the business environment, socioeconomic inclusion, and reduced xenophobia on the growth of African immigrant entrepreneurship and its contribution to South Africa's economic success.

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All authors have read and agreed to the published version of the manuscript.

AI Declaration Statement

The authors used Quillbot to assist with some language editing and text refinement in certain parts of the manuscript. All generated suggestions were reviewed, edited, and verified by the authors, who take full responsibility for the content. No AI tools were used for data analysis, interpretation, or the generation of original ideas.

The authors declare that no other AI tools were used in the preparation of this manuscript besides Quillbot.

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Conflict of Interest

The authors declare that the research took place without any commercial or financial relationships that could be construed as a potential conflict of interest.

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