OWNER'S UNDERSTANDING OF FINANCIAL INFORMATION USED IN THE DECISION-MAKING OF MANAGING SPAZA SHOPS IN THE SESHEGO TOWNSHIP AND SURROUNDING AREAS

by

SEWELA PATRICIA MOGANO

submitted in accordance with the requirements for the degree of

MASTER OF PHOLOSOPHY

in the subject

ACCOUNTING SCIENCES

at the

UNIVERSITY OF SOUTH AFRICA

SUPERVISOR: RENDANI NZHINGA

FEBRUARY 2026

DECLARATION

Name: SEWELA PATRICIA

Student number: 47423706

Degree: MPHIL

OWNER'S UNDERSTANDING OF FINANCIAL INFORMATION USED IN THE DECISION-MAKING OF MANAGING SPAZA SHOPS IN THE SESHEGO TOWNSHIP AND SURROUNDING AREAS

I declare that the dissertation is my own work and that all the sources that I have used or quoted have been indicated and acknowledged by means of complete references, and that any use of Artificial Intelligence (AI) has been fully disclosed.

I further declare that I submitted the dissertation to the appropriate originality detection system which is endorsed by Unisa and that it falls within the accepted requirements for originality.

I further declare that I have not previously submitted this work, or part of it, for examination at Unisa for another qualification or at any other higher education institution.

I further declare that where Artificial Intelligence (AI) tools have been used in the preparation of this thesis/dissertation, their use has been limited to ethical permissible support, has been fully disclosed, and does not replace my own original research, my independent critical thinking and analysis, or authorship responsibilities.

I understand that failure to disclose AI use, plagiarism and/or lack of academic integrity may constitute academic misconduct under Unisa's policies.

__________________________ 26 February 2026

SIGNATURE DATE

ACKNOWLEDGEMENT

Above all, I give glory and honour to Almighty God, my Creator. Through Christ, I found the strength to persevere during moments of doubt and exhaustion. This journey would not have been possible without His guidance and grace. To my mother, Patience Mogano, thank you for being my unwavering pillar of support. Your prayers, encouragement, and faith carried me through even when the path seemed impossible. Your strength and belief in me, as well as your support during the collection, have been my greatest motivation.

To my husband, Rabelani, thank you for standing by me with patience, understanding, and encouragement during every stage of this journey. To my son, Mpho, you are my inspiration and my reason to dream bigger. This accomplishment is dedicated to you. My heartfelt thanks go to Ike Mogano for the invaluable support and assistance during the data collection phase. Your presence made a meaningful difference. My sincere appreciation goes to my supervisor, Mr. Rendani Nzhinga, for your guidance, patience, and constructive feedback. Your academic insight and direction strengthened this research in many ways.

I also extend my sincere gratitude to Monica Botha, the language editor, for her professionalism, meticulous attention to detail, and the encouragement and kindness she showed throughout the refinement of this work. To everyone who contributed, supported, and encouraged me along the way, I am deeply thankful.

TABLE OF CONTENTS

LIST OF FIGURES

LIST OF TABLES

ABSTRACT

This research explored how spaza shop owners in Seshego Township and surrounding areas use and interpret financial information when making business decisions. Previous studies provide limited insight into how owners of these micro-enterprises understand and use financial information in managing their businesses. Limited financial knowledge may affect decision-making and, in turn, business sustainability. A qualitative research approach was adopted, and data were collected through semi-structured interviews with 20 spaza shop owners who were actively involved in the day-to-day management of their spaza shops. Due to the absence of a formal database, a walk-through census was conducted to identify and map spaza shops within Seshego Township and surrounding areas. The findings indicate that business decisions are mainly informed by owners' experience, daily business observations, and basic financial information obtained from sales, cash flow, profit, and stock movement. The study further found that financial knowledge, record-keeping practices, and personal accountability influence how owners manage their businesses and make day-to-day operational decisions. The findings contribute to a better understanding of how financial information is used in township-based micro-enterprises and highlight the importance of improving financial literacy and financial management capabilities among spaza shop owners. The study also provides practical insights for policymakers, support organisations, and financial service providers seeking to improve the sustainability and performance of informal businesses.
Keywords: spaza shops, financial information, decision-making, financial literacy, micro-enterprises, informal businesses, business sustainability, Seshego Township.

KAKARETŠO

Nyakišišo ye e lekodišišitše kamoo beng ba mabenkele a spaza ka Motseselegaeng wa Seshego le mafelong a o dikologilego ba dirišago le go hlatholla tshedimošo ya ditšhelete ge ba tšea diphetho tša kgwebo. Dinyakišišo tša nakong e fetilego di file kwešišo ye e lekanyeditšwego mabapi le kamoo beng ba dikgwebo tše nnyane ba kwešišago le go diriša tshedimošo ya ditšhelete ge ba laola dikgwebo tša bona. Kgaello ya tsebo ya ditšhelete e ka ama mokgwa wa go tšea diphetho, gomme se sa ba le khuetšo go tšwelelopele le go tšwela pele ga kgwebo. Mokgwa wa nyakišišo wa boleng o dirišitšwe, gomme datha e kgobokeditšwe ka dipoledišano tša sebopego sa go se tiee le beng-balaodi ba 20 ba mabenkele a spaza bao ba bego ba tšea karolo ka mafolofolo mo tshepedišong ya letšatši ka letšatši ya dikgwebo tša bona. Ka lebaka la go hloka polokelo ya semmušo ya datha, go dirilwe palo ya go sepela-sepela bakeng sa go hlaola le go dira mmapa wa mabenkele a spaza ka Motseselegaeng wa Seshego le mafelong a o dikologilego. Dipoelo tša nyakišišo di bontšhitše gore diphetho tša kgwebo di laolwa kudu ke maitemogelo a beng ba dikgwebo, tlhokomelo ya mediro ya kgwebo ya letšatši ka letšatši, le tshedimošo ya motheo ya ditšhelete yeo e hwetšwago go tšwa thekišong, go elela ga tšhelete, poelo le motsamao wa setoko. Nyakišišo e tšwetše pele ya hwetša gore tsebo ya ditšhelete, mekgwa ya go boloka direkhoto le boikarabelo bja motho ka noši di na le khuetšo mo mokgweng woo beng ba dikgwebo ba laolago dikgwebo tša bona le go tšea diphetho tša tshepedišo ya letšatši ka letšatši. Dipoelo tše di tlaleletša kwešišong ye kaone ya kamoo tshedimošo ya ditšhelete e dirišwago ka gona ka gare ga dikgwebo tše nnyane tša metseselegae gomme di gatelela bohlokwa bja go kaonafatša tsebo ya ditšhelete le bokgoni bja taolo ya ditšhelete gare ga beng ba mabenkele a spaza. Nyakišišo ye gape e fa temogo ya bohlokwa go batšweletši ba melawana, mekgatlo ya thekgo le baabi ba ditirelo tša ditšhelete bao ba nyakago go kaonafatša tšwelelopele le tshepedišo ya dikgwebo tšeo di sego tša semmušo.

Mantšu a bohlokwa: mabenkele a spaza, tshedimošo ya ditšhelete, go tšea diphetho, tsebo ya ditšhelete, dikgwebo tše nnyane, dikgwebo tšeo di sego tša semmušo, tšwelelopele ya kgwebo, Motseselegaeng wa Seshego. .

CHAPTER 1: INTRODUCTION

1.1 Background

Informal businesses constitute approximately 80% of all enterprises worldwide and frequently operate outside formal registration and governing frameworks (International Labour Organisation, 2025:5). Understanding the operations of informal businesses is critical for evaluating economic resilience in emerging economies (Ebrahim & Van den Berg, 2024:2; Slonimczyk, 2022:1). These enterprises support households and communities, especially in situations where formal systems do not adequately address basic needs (Ebrahim & Van den Berg, 2024:2; Slonimczyk, 2022:1). As a result, it can be seen that informal businesses furnish essential goods, and generate employment, sustaining livelihoods and collectively positioning them as key drivers of local resilience (Ebrahim & Van den Berg, 2024:2; Slonimczyk, 2022:1).

In Africa, informal enterprises are especially important in the informal economy because they contribute significantly to employment creation and provide a source of income for many households. (Aryeetey, 2015:4; Chikanda, 2025:14; Tawodzera, 2022:95). Many regions undergo high unemployment, limited access to formal markets, and pronounced socio-economic inequality (Aryeetey, 2015:2; Chikanda, 2025:14; Tawodzera, 2022:95). Research indicates that informal businesses fill gaps in the formal economy and address communities' daily consumption needs (Aryeetey, 2015:2; Chikanda, 2025:14; Tawodzera, 2022:95). By providing flexible, accessible, and affordable goods and services, these enterprises contribute to economic activity and social welfare (Gutberlet, 2020:289).

Spaza shops started as small-scale, often informal businesses that emerged during apartheid as survivalist enterprises within marginalised communities (Basardien, Parker, Bayat, Friedrich & Appoles, 2013:45; Fatoki & Oni, 2016:18). The term "spaza" derives from township slang and refers to small-scale trading activities conducted from residential homes, making these shops unique to the South African informal economy (Basardien et al. 2013:45; Fatoki & Oni, 2016:18). These home-based shops are typically located within residential areas or on street corners (Fatoki & Oni, 2016:185; Petersen & Charman, 2018), thereby providing convenient access to daily necessities for low-income households (Fatoki & Oni, 2016:185; Petersen, Thorogood, Charman & Du Toit, 2019:9). Research indicates that Spaza shops support daily consumption by selling goods in small quantities at affordable prices (Fatoki & Oni, 2016:185; Petersen et al. 2019:9). Furthermore, they generate income and provide employment in areas where formal retail services are limited (Masuku & Nzewi, 2021:60; Skinner & Haysom, 2016:12).

In Seshego Township, which is situated within the Polokwane Local Municipality in the Capricorn District of Limpopo Province, South Africa, spaza shops are essential to daily economic life, serving a substantial number of households. Despite their significance, many spaza shop owners operate within the informal sector (Mokoele, Asha & Ramoroka, 2015:841). Consequently, they encounter considerable problems due to limited financial knowledge (Fatoki & Oni, 2016:186). Being informal in this context goes beyond the absence of business registration to include the lack of formal financial systems, such as proper bookkeeping, budgeting practices, and structured financial reporting (Fatoki & Oni, 2016:186).

Therefore, limited financial understanding adversely affects critical business areas, including budgeting, pricing, cost control, and record-keeping (Fatoki & Oni, 2016:186). These limitations diminish owners' capacity to take informed business decisions and comply with regulatory obligations (Gauteng Department of Economic Development, 2024:2). Many spaza shops have short business lifespans, a challenge widely observed within the informal retail sector (Hare & Walwyn, 2019:2). A primary contributing factor is the owners' inability to accurately measure business performance because of limited financial knowledge (Jonck & Nwosu, 2022:2; Derbyshire, Fouché & McChlery, 2023:2). Without dependable financial information, owners struggle to assess profitability, control costs, and plan for sustainability.

Some spaza shops have ceased operations due to difficulties in meeting municipal and national regulatory requirements (Central News, 2025). This indicates that effective financial management practices are essential for the long-term survival of these businesses, as compliance with these requirements often involves financial obligations such as registration costs, operating expenses, and potential penalties for non-compliance (Fatoki & Oni, 2016:186). In early 2025, South African authorities identified over 15,000 spaza shops that failed to comply with municipal and national requirements relating to business registration and health and safety standards, resulting in the immediate closure of nearly 500 shops (Gauteng Department of Economic Development, 2024:2).

Although previous studies have examined the products sold by spaza shops and their economic role, limited research exists on how owners interpret and use financial information to manage their businesses (Brijlal, Enow & Isaacs 2014:1; Jonck & Nwosu 2022:3;(Yase, Van Eyk & Amoah 2025:523). Filling this gap guided the study and helped develop research questions centered on financial literacy and business performance in Seshego Township.

1.2 Context of the Study

The research took place in Seshego, located in the Polokwane Local Municipality of Limpopo Province, South Africa. Seshego Township is a densely populated area with multiple commercial facilities and is home to approximately 83,863 residents, according to the South African Census (Statistics South Africa, 2012). It includes a central mall and various grocery outlets distributed across its zones (Polokwane Local Municipality, 2024). While many residents purchase goods at these formal retail outlets, spaza shops continue to play an important role by providing small and everyday household items, particularly for convenience or quick access (Charman, Petersen & Piper 2012:48; Van Eyk, Amoah & Yase 2022:24)

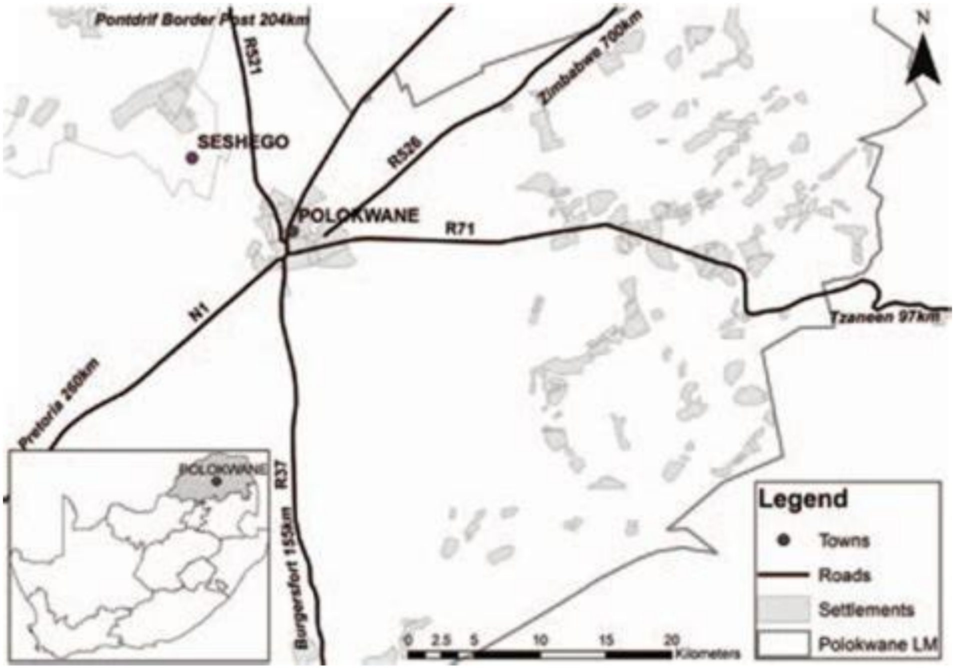
The social and economic context of Seshego Township reflects a mixed workforce environment. Although some residents are employed, the township also experiences high unemployment, which drives reliance on informal enterprises such as spaza shops. Polokwane Local Municipality reported an unemployment rate of approximately 28% in 2019 (Statistics South Africa, 2019), thus driving reliance on informal enterprises such as spaza shops (Statistics South Africa, 2019). These informal businesses support livelihoods, provide accessible goods, and complement formal retail options within the township.

Despite constraints in informal market conditions such as competition and operational challenges, spaza shops continue to adapt and play an important role in expanding access to household goods and supporting local economic stability (Fatoki, 2018:1; Gavaza, Fihla & Manquma, 2025:1932; Van Eyk et al., 2022:21). While most spaza shops are not formally registered as businesses, they still have to navigate local regulations and compliance requirements where applicable (Gauteng Department of Economic Development, 2024:2). Despite these challenges, spaza shops demonstrate resilience and remain important for household consumption and local economic resilience (Gavaza, Fihla & Manquma, 2025:1932; Van Eyk et al., 2022:21).

This research looked at spaza shops operating within this geographical, social, and economic context, focusing on how owners understand and use financial information to manage their businesses. This environment enabled the study to investigate the relationships between financial knowledge, business outcomes, along with sustainability in an actual township context.

While that is the case, spaza shop owners in Seshego Township are largely undocumented and operate as informal businesses. This renders it difficult to identify their population through conventional surveys. To address this, a census rather than a survey was employed, as recommended by Tawodzera, Tengeh, and Kgaphola (2019:17), given the absence of a formal database of spaza shops. Seshego Township is situated approximately 10.3 km (about a 15-minute drive) from Polokwane (Distance Calculator, 2026), which allowed the researcher to conduct a walk-through census to locate the shops directly (Tawodzera et al. 2019:17). During this process, most spaza shops were easily identifiable, largely because they shared similar appearances and layouts, and were typically situated along the main roads of the township (Tawodzera et al. 2019:17). This presence and availability of the shops facilitated data collection.

Figure 1.1: Map showing Seshego and Polokwane with major roads and surrounding towns



1.3 Preliminary Literature Review

Source: Adapted from Statistics South Africa (2011).

Spaza shops occupy a central position within the country's informal sector, supplying basic goods to nearby communities and supporting household livelihoods in areas where formal retail options are limited. (Ebrahim & Van den Berg, 2024:2; Slonimczyk, 2022:1). As a result, informal businesses worldwide are valued for generating income, creating employment, and strengthening community resilience (Chikanda, 2025:14; Gutberlet, 2020:287). Despite this, spaza shops experience difficulties such as limited finances, weak managerial skills, and restricted market access, which commonly hinder survival and growth (Fatoki & Oni, 2016:185; Tawodzera, 2022:95).

Financial literacy is a debated factor; some researchers argue it is key to business success (Fatoki & Oni, 2016:186), while others emphasise external influences, including market access and local support (Gutberlet, 2020:287; Tawodzera, 2022:95). Many owners still lack basic bookkeeping and budgeting systems (Alkassim & Abubakar, 2016:2). Recent studies show trends toward training, simplified regulations, and financial support to improve sustainability (Gutberlet, 2020:287;

Tetani, 2023:22). Therefore, this study explored how owners understand and apply financial information when making decisions to manage spaza shops in Seshego Township and the surrounding areas.

1.3.1 Theoretical Lens

This study was grounded in Self-Accountability Theory (Dhiman, Sen & Bhardwaj, 2018:78; Stewart, Snyder & Kou, 2023:21), which explains how individuals evaluate and regulate their behaviour based on accepted standards and a sense of responsibility. The theory suggests that individuals are more likely to make informed decisions when they accept responsibility for their actions and evaluate their performance against expected outcomes (Dhiman et al., 2018:78; Stewart et al., 2023:21). As a result, it provides a useful framework for understanding how spaza shop owners manage and apply financial information in their business activities. It also helps to explain how personal responsibility and decision-making may influence business performance and sustainability (Dhiman et al., 2018:78; Stewart et al., 2023:21).

According to Human Capital Theory, abilities and expertise are key determinants of performance and efficiency (Alkassim & Abubakar, 2016; Becker, 1964:18). In spaza shops, financial literacy constitutes human capital. Owners with enhanced financial literacy can control costs, monitor performance, and make better decisions, thereby supporting long-run sustainability. Self-Accountability Theory shows how owners put their skills into practice by taking responsibility for finances, stock, and business decisions (Dhiman et al., 2018:78; Stewart et al., 2023:692). From this perspective, limited knowledge and weak decision-making may negatively influence business performance and sustainability. This supports the Resource-Based View (Barney, 1991:99; Tetani, 2023:22), which emphasises the importance of resources and capabilities in achieving and sustaining competitive advantage.

For spaza shops, financial knowledge, business skills, and informal networks are valuable resources (Charman et al., 2012:48; van Eyk et al. 2022:20). Shops that use these effectively achieve expansion and durability, while others struggle (Charman et al., 2012:48; van Eyk et al. 2022:20). In this context, Accountability Theory stresses personal responsibility and experiential learning (Dhiman et al., 2018:78; Stewart et al., 2023:692). It explains how owners actively interpret financial information and make decisions despite limited formal training. Self-Accountability Theory served as the main theoretical lens for this study (Dhiman et al., 2018:78; Stewart et al., 2023:692), while Human Capital Theory and the Resource-Based View provided additional perspectives on the role of financial knowledge, skills, and business resources. Taken together, these perspectives assisted in explaining how personal accountability, knowledge, and available resources influence decision-making and business sustainability among spaza shop owners in Seshego Township.

The conceptual framework of this study is presented in the figure below to illustrate the relationship between financial literacy, management practices, and business performance among spaza shop owners.

Figure 1.2: Conceptual Framework: Human Capital, Self-Accountability, and Spaza Shop Performance

The figure illustrates the conceptual framework of the study and shows the relationship between financial literacy and spaza shop performance. It is grounded in the idea that human capital (financial literacy, knowledge, skills, and abilities) influences self-accountability, which in turn shapes spaza shop management practices such as budgeting, record-keeping, pricing, and cost control. These management practices then affect overall business performance and sustainability. The figure is relevant to this study because it visually explains how financial knowledge is translated into daily operational decisions and how these decisions contribute to the performance of spaza shop businesses in Seshego Township.

Source: Author's own conceptualisation (2025)

1.3.2 Empirical Literature Review

Empirical research has focused on spaza shops and informal enterprises within South Africa and similar developing economies. Fatoki and Oni (2016:186) conducted a survey of small informal businesses in Mankweng Limpopo and found that limited financial literacy negatively affected business performance. Their study relied on questionnaires but focused mainly within urban areas, offering limited insight into township-specific contexts. Hare and Walwyn (2019:2) analysed informal retail lifespans using secondary data. They reported that many spaza shops have short lifespans, commonly due to poor financial management and weak performance monitoring.

Jonck and Nwosu (2022:3) explored accounting and record-keeping practices among unregistered business owners in South Africa's informal sector and identified key financial management challenges affecting business operations. The study focused on general informal businesses rather than spaza shops specifically in Seshego Township and did not examine how owners understand or use financial information in decision-making, thereby leaving a knowledge gap. In contrast, the current study focuses specifically on spaza shop owners in Seshego Township and examines how they interpret and use financial information in their day-to-day decision-making processes. Similarly, Tetani (2023:22) examined factors influencing spaza shops' performance in Mthatha West Townships, South Africa, and identified financial literacy, access to resources, and managerial skills as critical for sustainability. However, the study did not explore in depth how owners interpret and apply financial information during daily business operations.

Across these studies, a clear pattern emerges: spaza shops are important for livelihoods, but owners' financial literacy and understanding of business numbers remain underexplored. Most research focused on products, external challenges, or general practices, rather than the internal knowledge and skills that drive performance. This gap served as the basis for the present study, which investigated how financial literacy influences decision-making, business practices, as well as sustainability in Seshego spaza shops.

1.4 Research Problem

In the Seshego area, spaza shops support local livelihoods by providing essential goods, making them an integral part of the township's informal economy. As a result, existing studies show that these businesses experience challenges such as limited financial literacy, short lifespans, and difficulties in decision-making (Fatoki & Oni, 2016:186; Hare & Walwyn, 2019:2; Tetani, 2023;22). While much is known about what spaza shops sell and their role in the economy, there is little understanding of how owners comprehend, interpret, and use financial information for decision-making to manage their businesses. This lack of knowledge affects budgeting, pricing, cost control, and overall sustainability.

The problem is that despite the importance of spaza shops. There is limited empirical understanding of spaza shop owners interpret and use of financial information for decision-making, and how it influences business outcomes, notably within the context of Seshego Township. Without understanding how owners use financial information, interventions aimed at improving business success may be ineffective. This study, therefore, aimed to examine how spaza shop owners in Seshego Township and surrounding areas understand and use financial information during their decision-making.

1.5 Research Aim and Objectives, Main Question and Secondary Research Questions

The study aim aimed to understand how spaza shop owners in Seshego Township and surrounding areas understand and use financial information in managing their spaza shops.

1.5.1 Research Objectives

The study sought:

1. To explore how spaza shop owners in Seshego understand and assess financial information.
2. To examine how they interpret financial performance information in managing their shops.
3. To identify how their understanding of financial information influences business decision-making.

1.5.2 Main Research Question

How do spaza shop owners in Seshego Township and surrounding areas understand financial information used in the decision-making of managing spaza shops?

1.5.3 Secondary Research Questions (SRQ)

SRQ1: How do spaza shop owners in Seshego Township understand and assess financial information?

SRQ2: How do spaza shop owners in Seshego Township make sense of financial performance information when managing their spaza shops?

SRQ3: How do spaza shop owners in Seshego Township's understanding and interpretation of financial information shape their decision-making?

1.6 Thesis Statement

This study explored how spaza shop owners in Seshego Township understand and apply financial information in decision-making, thus highlighting how financial literacy and spaza shop owners' capacity shape their decision-making for good business practices and sustainability. The research aimed to provide insights to inform strategies for strengthening financial management within informal retail enterprises.

1.7 Research Methodology

The study applied a qualitative design to understand how spaza shop owners in Seshego Township interpret financial information for business decision-making. A qualitative approach was suitable for gaining in-depth insights into spaza shop owners' experiences, perceptions, and practices (Aspers & Corte, 2021:599; Creswell, 2007:249), which are central to understanding financial decision-making in informal enterprises (Jonck & Nwosu, 2022:3; McCusker & Gunaydin, 2015:538). Information was gathered through semi-structured interviews with spaza shop owners. Consequently, this method offered flexibility, thereby providing participants to communicate their views without restriction. Also, while the researcher asked follow-up questions and allowed emerging issues to be examined during interviews (Adeoye-Olatunde & Olenik, 2021:5; Bryman, 2016:7), the sampling focused on spaza shop owners in Seshego Township, ensuring that Participants were selected to align closely with the objectives of the study.

The collected data were managed and examined with ATLAS.ti software, allowing for systematic handling of the information (Jauhar & Tajuddin, 2017:1). The data from the interviews were analysed thematically to emphasise important patterns and central themes (Williams & Moser, 2019:45). This method aligned with the research objectives by showing how financial literacy, owners' capacity, and decision-making processes influence business performance and sustainability.

1.7.1 Research Design

A qualitative approach was employed to investigate how spaza shop owners interpret and utilise financial information in managing their businesses. This method was selected to allow a thorough exploration of meaning, understanding, and decision-making processes (Aspers & Corte, 2021:599; Creswell, 2007:249), rather than on measurement or prediction. While financial literacy in informal businesses cannot be fully captured by numerical data alone, Spaza shop owners often depend on personal judgment, experience, and informal practices. Therefore, using a qualitative approach made it possible to closely examine these practices as they actually occur in their operations (Aspers & Corte, 2021:599; Creswell, 2007:249). The approach focused on how owners interpret and apply financial information, rather than only assessing record-keeping.

While that was the case, the design allowed participants to convey their experiences from their personal perspectives (Aspers & Corte, 2021:599; Creswell, 2007:249). This is important because spaza shops operate outside formal financial systems. Their financial practices are shaped by daily realities, constraints, and personal knowledge. As a result, a qualitative design supported the study's aim of exploring financial understanding rather than financial compliance. Overall, the qualitative research design enabled a detailed exploration of spaza shop owners' financial literacy, owners' capacity, decision-making and their role in business performance and sustainability (Aspers & Corte, 2021:599; Creswell, 2007:249).

1.7.2 Population and Sampling

The population comprised spaza shop owners operating in Seshego Township, Limpopo Province. Twenty spaza shop owners participated in the study. These individuals actively participate in the daily management and financial operational decisions of Spaza shops. As such, they were well-positioned to provide insight into how financial information is understood and used in practice. Spaza shops operate within the informal economy, leading to their omission from official business databases. Consequently, this lack of formal records reflects the sector's informal nature and poses challenges for conventional sampling methods. Therefore, the study adopted a flexible approach to identifying participants.

1.7.2.1 Sampling Approach

Because the study was exploratory in nature, a qualitative using non-probability sampling approach was considered appropriate. Participants were deliberately selected for their ability to provide meaningful and in-depth insights into the phenomenon under study. A sample of 20 spaza shop owners and managers was included, which allowed for an in-depth examination of financial literacy and related business practices (Creswell & Poth, 2018: 117; Palinkas et al. 2015: 534). In addition, Boddy (2016:429) and Parker and Geddes (2019:3) indicate that qualitative studies with more than 30 participants in a single geographic area may be considered large, therefore making them difficult to manage and analyse. Participants were selected using purposive sampling.

Therefore, only individuals who were actively involved in managing spaza shops and making financial decisions were included. This strategy helped collect information that aligned with the study’s objectives. Participants were recruited using snowball sampling, which allowed the researcher to identify additional respondents through initial contacts. The target sample of 20 spaza shop owners was reached (Parker & Geddes, 2019:3). This approach was appropriate, as spaza shops are often hidden and difficult to locate through formal channels (Boddy, 2016:429; Parker & Geddes, 2019:3).

1.7.3 Data Collection

Semi-structured interviews were conducted with spaza shop owners in Seshego Township. This approach enabled participants to describe how they handle financial information in their daily business activities and allowed the researcher to explore additional issues as they arose (Alkassim & Abubakar, 2016:1; Barriball & While, 1994:328). The interviews focused on practical aspects such as budgeting, pricing, record-keeping, and cost management. Participants were prompted with open-ended questions, allowing them to describe their experiences in detail. This method was particularly appropriate given the informal nature of spaza shops and the varied ways owners manage their finances.

Interviews were conducted via Teams calls, scheduled according to participants' availability (Alkassim & Abubakar, 2016:1; Audemard, 2020:30). Before each interview, the study's purpose was clearly outlined, and consent was obtained in compliance with the College of Accounting Science (CAS) ethics protocol. With participants' permission, conversations were audio-recorded and later transcribed. Transcribing the interviews enabled careful examination of responses and ensured that the data accurately reflected participants' experiences. The transcripts were then reviewed to uncover recurring ideas and patterns related to financial literacy and the management of spaza shops.

1.7.4 Data Analysis

All interviews were carefully transcribed before analysis, and the information was examined using thematic analysis to understand participants' experiences. This approach was appropriate for examining spaza shop owners' use of financial information in practice. The analysis followed a systematic process: The transcripts were reviewed a number of times to gain familiarity to develop familiarity. Initial codes were generated to represent key concepts in financial literacy, decision-making, and business management. Codes were organised into themes that reflected patterns observed across participants. ATLAS.ti software supported data management, thereby enabling systematic coding and efficient retrieval of relevant excerpts.

Identified themes were analysed with reference to the research questions. For example, themes on budgeting, pricing, and record-keeping examined how owners use financial information, while themes on challenges and business sustainability highlighted the connection between financial literacy and overall business outcome. This approach allowed the analysis to move beyond simple description, grounding the findings in participants' experiences and enabling interpretation. In this way, the analysis directly contributed to achieving the study's objective of understanding how financial literacy influences the management and sustainability of spaza shops.

1.8 Delineations and Limitations

This study focused on spaza shop owners in Seshego Township, Limpopo Province, specifically on informal businesses. The focus was on informal spaza shops and not on formally registered retail businesses. The study specifically examined financial literacy and the use of financial information in decision-making for managing these businesses. Other factors influencing spaza shop performance, such as distribution networks or competition, fell outside the scope of this research.

The study had several constraints. Because it used a qualitative approach, the findings cannot be assumed to represent all spaza shops; the aim was to achieve a deeper, contextual understanding of participants' experiences. However, locating participants was challenging, as some owners were hesitant to participate due to concerns about regulations or compliance. Second, the informal nature of spaza shops made it difficult to identify all potential participants. Additionally, the research depended on participants' self-reports, which may be affected by memory or by their readiness to share information. Despite its limitations, the study sheds light on spaza shop owners' use and understanding of financial information in practice.

1.9 Definitions of Terms and Concepts

In order to ensure clarity, key terms employed in this study are described as follows:

Spaza Shop

Small-scale retail outlets that operate informally, usually within township neighbourhoods. These shops sell basic household goods and are usually managed by the owner or family members (Charman, Petersen, & Piper, 2012:47; Ligthelm, 2008:37).

Informal Economy

Encompasses economic activities that operate outside formally regulatory and registration frameworks. In this study, it refers to spaza shops in Seshego Township that function with limited or partial compliance with formal financial and business regulatory requirements (Bonnet, Vanek & Chen, 2019:1; Schneider & Enste, 2000:2).

Financial Literacy

This capacity of spaza shop owners to make sense of financial information and apply it effectively in their businesses. It includes planning and managing budgets, setting and adjusting prices, keeping accurate records, controlling costs, and evaluating overall business performance (Kojo Oseifuah, 2010:164; Lusardi & Mitchell, 2014:1).

Business Performance

Business performance refers to how well a spaza shop operates and sustains itself over time. This study included profitability, cost management, and the ability to continue operating.

Business Sustainability

Business sustainability refers to a spaza shop's ability to survive and operate in the long term. It is linked to effective financial decision-making and management practices.

Financial Information

Financial information refers to the data spaza shop owners use to manage their businesses. This includes sales records, expense tracking, pricing decisions, and informal or formal financial record-keeping.

1.10 Significance of the Study

The research delivers valuable insights that support both scholarly and academic and practical applications. Academically, it supports understanding financial literacy in informal businesses, a topic insufficiently explored in township contexts (Fatoki & Oni, 2016:185; Thorogood, Charman & Du Toit, 2019:12). It provides evidence on how spaza shop owners interpret and use financial information, linking theory to practical business performance. For policy and practice, the findings can guide local authorities, business support agencies, and financial institutions develop training programs and support aimed at spaza shop operators. Developing financial literacy can enhance budgeting, cost control, and overall business sustainability.

For spaza shop owners, this research delivers useful guidance on applying financial knowledge to enhance daily operations. It may also help them make more well-informed decisions and strengthen enduring business success (Fatoki, 2018:3). Overall, the study points out the value of financial literacy and owners' capacity as tools for economic robustness in township communities like Seshego (Tawodzera & Tengeh, 2019:16; Thorogood et al. 2019:9)

1.11 Chapter Overview

Chapter 1

This chapter introduces the study by looking at the role of spaza shops in Seshego Township. It explains why understanding financial literacy in this setting is important. The chapter also describes the research problem, objectives, and questions. It outlines the study population, sampling methods, and approaches for collecting and analysing data. Key terms are explained, and the significance of the research is highlighted.

Chapter 2

This one reviews past studies on spaza shops, financial literacy, and the performance of informal enterprises. It summarises what is already known and identifies gaps in current research. The chapter shows how this study fits within the wider academic discussion.

Chapter 3

It describes how the research was conducted. It explains the study design, participant selection, data collection, and analytical procedures. Ethical issues, including consent and confidentiality, are also addressed.

Chapter 4

This presents the study’s findings. Data are organised within themes that relate to the research questions. Participants’ responses are used to highlight key points and provide context for the analysis.

Chapter 5

The results are interpreted in the context of previous studies. It draws conclusions, reflects on the study’s limitations, and provides recommendations for practice and future research.

Chapter 6

The chapter reviews the key findings and reflects on what the study adds to current knowledge. It discusses the implications of the research for improving financial literacy among spaza shop owners.

CHAPTER 2: LITERATURE REVIEW

2.1 Introduction

The literature review chapter is organised into several interconnected sections. Section 2.1 provides an overview of the chapter. Section 2.2 presents the theoretical framework that informs the study, including Self-Accountability Theory as the primary theoretical lens, supported by Human Capital Theory and the Resource-Based View. These perspectives provide a foundation for understanding how spaza shop owners acquire, interpret, and apply financial knowledge in their business activities.

Section 2.3 reviews the empirical literature relevant to the study. It begins by examining the relationship between households, informal businesses, and financial literacy education (Section 2.3.1). It then discusses the historical development of accounting (Section 2.3.2) and the adoption of accounting practices within household and informal business contexts (Section 2.3.3). Section 2.3.4 outlines key areas of household accounting, including pricing decisions (Section 2.3.4.1), marketing decisions (Section 2.3.4.2), income management (Section 2.3.4.3), and expense management (Section 2.3.4.4). The section further examines decision-making (Section 2.3.5), financial literacy (Section 2.3.6), financial management (Section 2.3.7), and the role of financial information in decision-making (Section 2.3.8).

Section 2.3.9 discusses the factors affecting spaza shops, including competition (Section 2.3.9.1), transportation (Section 2.3.9.2), financial support (Section 2.3.9.3), and business skills (Section 2.3.9.4). Section 2.3.10 focuses on financial literacy and training within the informal sector. Collectively, these sections provide a foundation for examining how spaza shop owners understand and use financial information in the decision-making involved in managing spaza shops.

2.2 Theoretical Lenses

This study drew on various theoretical perspectives that explain how individuals acquire knowledge, develop skills, and apply learning in business contexts. These include Human Capital Theory and Resource-Based View (RBV) (Jagódka & Snarska, 2021:1; Rusminingsih & Damayanti, 2022:54). These perspectives provide a useful background for understanding entrepreneurial learning and experience (Asyik, Wahidahwati & Laily, 2022:805). However, this study was primarily guided by Self-Accountability Theory as the main theoretical lens.

Self-Accountability Theory was most appropriate for this study because it explains how spaza shop owners understand, evaluate, and regulate their financial decision-making within the informal sector. It is grounded in Bandura's (1986; 1991) Social Cognitive Theory, particularly the concept of self-regulation. Bandura explains that individuals regulate their behaviour through self-monitoring, self-evaluation, and self-reinforcement based on internal standards and expected outcomes. This perspective shows how individuals are able to guide their own actions even without external control systems.

The theory focuses on individual responsibility in monitoring financial activities, recording transactions, and using financial information to guide business decisions (Bandura, 1986; 1991; Dhiman et al., 2018; Stewart et al., 2023).

Since spaza shops are largely unregulated and owner-managed, this framework helps to explain how financial accountability is applied in daily operations. While the other theories contribute to situational understanding, they did not function as guiding lenses for this study. These perspectives support the discussion of how financial knowledge and experience develop, while Self-Accountability Theory guides the interpretation of the findings.

2.2.1 Backing Theoretical Perspectives

Human Capital Theory, Practice Theory, and Situated Learning Theory are reviewed to provide a wider context on knowledge acquisition, experiential learning, and socially situated practices among entrepreneurs (Jones, Meckel & Taylor, 2021:369; Li, Fan & Wang, 2022:9667). These theories help explain how spaza shop owners develop financial skills through education, experience, and community participation (Jones et al. 2021:369; Li et al. 2022:9667). However, they were not used to guide data analysis or interpretation in this study. The discussion of these theoretical perspectives begins with Human Capital Theory.

Human Capital Theory is generally associated with the work of Theodore Schultz (1961) and Gary Becker (1964), who conceptualise education, skills, knowledge, and experience as forms of capital that enhance productivity and contribute to economic development. The theory argues that investment in education and training improves individuals' productive capacity and strengthens their ability to participate effectively in economic activities. Schultz (1961:1) further maintains that such expenditure should be regarded as an investment because it improves the quality of human effort and leads to higher productivity and earnings.

The relevance Human Capital Theory is generally associated with the work of Theodore Schultz (1961) and Gary Becker (1964), who conceptualise education, skills, knowledge, and experience as forms of capital that enhance productivity and contribute to economic development. The theory argues that investment in education and training improves individuals' productive capacity and strengthens their ability to participate effectively in economic activities. Schultz (1961:1) further maintains that such expenditure should be regarded as an investment because it improves the quality of human effort and leads to higher productivity and earnings.

The relevance of human capital continues to be recognised in contemporary studies. Jagódka and Snarska (2021:2) note that human capital remains a key driver of innovation and economic development, while Rusminingsih and Damayanti (2022:54) highlight financial literacy as an important component of human capital development, particularly in improving financial knowledge and decision-making ability. Although Human Capital Theory provides a useful framework for explaining the relationship between education and productivity, it has been critiqued for placing strong emphasis on formal education while underestimating the role of informal and experiential learning, particularly in contexts where individuals acquire skills outside structured training environments.

In the context of this study, Human Capital Theory helps to explain how financial literacy education and accounting knowledge may influence the ability of spaza shop owners to manage financial resources and make informed business decisions.

In addition to Human Capital Theory, the Resource-Based View (RBV) provides an important lens for understanding how internal resources and capabilities contribute to business performance and sustainability. The Resource-Based View (RBV) originates from the seminal work of Edith Penrose (1959), who viewed firms as collections of resources that develop through the use of knowledge, skills, and experience. Penrose (1959) explains that firm growth depends on how effectively internal resources are utilised and combined over time.

Wernerfelt (1984:171) later developed the Resource-Based View by focusing on the firm's internal resources as the basis of competitive advantage rather than its products alone. Wernerfelt (1984:171) argues that firms compete through bundles of resources that can be applied across different markets, and that competitive advantage arises when these resources are difficult to imitate or substitute. Barney (1991:99) further formalised the RBV by explaining that firm resources include assets, capabilities, and knowledge that enable strategic action. Barney (1991:99) states that sustained competitive advantage occurs when resources are valuable, rare, inimitable, and non-substitutable.

The Resource-Based View has been widely applied in studies examining organisational performance and competitiveness. A key strength of the theory is its emphasis on the role of internal resources and capabilities in achieving business success. However, the theory has been criticised for giving less attention to external factors that may influence performance, such as market conditions and economic changes. Despite this criticism, RBV remains relevant because it highlights the importance of developing and effectively utilising available resources. In the context of this study, RBV is used to explain how spaza shop owners rely on internal capabilities such as financial literacy, experience, and record-keeping skills to manage their businesses and sustain operations in an informal trading environment.

2.2.2 Self-Accountability Theory (Theoretical Lens)

Self-accountability in this study is conceptualised as an applied behavioural construct derived from Bandura's (1986; 1991) Social Cognitive Theory, particularly the principle of self-regulation. The term "Self-Accountability Theory" is used in this study as an analytical label to describe the internal process through which individuals take responsibility for monitoring, evaluating, and regulating their own behaviour in contexts where formal control systems are limited or absent. Bandura's Social Cognitive Theory provides the seminal foundation for this perspective. Bandura (1986; 1991) explains that human behaviour is regulated through self-monitoring, self-evaluation, and self-reinforcement, guided by internal standards and expected outcomes. From this perspective, individuals are active agents capable of directing their own behaviour through internal regulatory processes rather than relying solely on external control mechanisms.

In this study, this theoretical foundation is applied to explain how spaza shop owners exercise self-regulation in managing financial decision-making in the absence of formal monitoring systems. It emphasises behavioural self-management, particularly in relation to record-keeping, financial monitoring, and evaluation of business outcomes against personal or situational standards. Accordingly, Self-Accountability is used as an interpretive construct derived from Social Cognitive Theory to explain how spaza shop owners understand, manage, and use financial information in their daily business operations.

2.3 Empirical Literature Review

This section reviews empirical studies on financial literacy education and its influence on households and informal businesses. It explores how financial knowledge, accounting skills, and financial management practices contribute to improved decision-making and the sustainability of these enterprises.

2.3.1 The Link between the Households/Informal Business and Financial Literacy Education

The literature discussed above highlights the important role of financial education in improving financial management (Harrison & Akroyd, 2013:93; Olarewaju & Msomi 2021: 112). In addition, financial literacy has been an important factor in households and informal businesses transitioning from informal money management to more structured accounting practices (Harrison & Akroyd, 2013:93; Olarewaju & Msomi 2021;112). The literature suggests that household decision-making is usually a shared process among family members rather than the responsibility of a single individual. (Harrison & Akroyd, 2013:93; Olarewaju & Msomi 2021:112). Subsequently, research studies acknowledge that understanding basic accounting principles is key to achieving lasting business success (Fatoki & Oni, 2016: 186; Hare & Walwyn, 2019:3; Olarewaju & Msomi, 2021: 112).

As a result, many informal businesses face challenges due to limited financial knowledge. This often affects the quality of business decisions and their ability to remain sustainable over time (Fatoki & Oni, 2016:186; Hare & Walwyn 2019:3; Olarewaju & Msomi 2021;112). However, research also indicates that financial education equips households with the skills needed to support and uplift disadvantaged communities (Fatoki & Oni, 2016:186; Hare & Walwyn 2019:3; Olarewaju & Msomi, 2021:112).

More importantly, financial education is necessary for enabling the transition of households and informal businesses (Entorf & Hou, 2018:4). On the other hand, financial literacy provides individuals with basic knowledge of accounting principles (Entorf & Hou, 2018:4). Limited financial literacy can lead to poor financial decisions in informal businesses, affecting their sustainability (Fatoki & Oni, 2016:188). Despite these challenges, the literature consistently recognises micro and small enterprises as significant contributors to economic growth (Harrison & Akroyd, 2013:93). While previous studies have highlighted the importance of financial literacy for business sustainability, this study extends the discussion by focusing on the financial decision-making practices of spaza shop owners operating within the informal economy of Seshego Township

At the same time, studies indicate that such businesses add substantial value to global economies (Atiase et al. 2023:1808; Harrison & Akroyd, 2013:93). For micro and small business owners, access to appropriate education and managerial training is key to developing the skills and knowledge required to run their enterprises effectively (Atiase, Wang & Mahmood, 2023:1808; Harrison & Akroyd, 2013:93). In addition, both education and financial literacy play a critical role in supporting long-term business sustainability (Atiase et al. 2023:1808).

2.3.2 The History of Accounting

Accounting developed from basic record-keeping practices used in early trade to the sophisticated financial reporting systems employed by modern organisations. The publication of Luca Pacioli's work in 1494 is widely recognised as a significant milestone in the development of double-entry bookkeeping and modern accounting practice (Littleton, 1933:3). As commercial activities expanded and became increasingly complex, accounting evolved to support financial control, reporting, and decision-making within organisations (Edwards, 2013). The principles underlying formal accounting systems have also influenced the management of financial information in households and informal businesses, where record-keeping practices contribute to monitoring income, expenditure, and business performance (Entorf & Hou, 2018:4). The evolution of accounting has given rise to specialised accounting systems within formal organisations, commonly referred to as corporate accounting.

Corporate accounting refers to the recording, processing, and reporting of financial information within formal business organisations to support both internal management and external decision-making (Yoshikuni et al., 2023:201). Accounting information systems play an important role in corporate accounting by providing information that supports managerial decision-making. Yoshikuni et al. (2023:201) explain that the integration of emerging technologies with accounting information systems has improved how organisations collect, process, and use information. Technologies such as business intelligence, analytics, cloud computing, machine learning, and enterprise resource planning systems have extended the role of accounting beyond traditional financial reporting.

These technologies support activities such as budgeting, forecasting, performance monitoring, and strategic analysis. Yoshikuni et al. (2023) further indicate that organisations with integrated information systems infrastructure are better positioned to make informed decisions and respond to changes in their operating environment. While corporate accounting is governed by formal standards and structured reporting systems, financial practices at the household level are typically informal and adapted to everyday financial needs.

Household accounting refers to how families record, monitor, and manage their financial resources in everyday life (Raharjo & Kamayanti, 2015:76). Existing studies show that these practices are not uniform but are shaped by social and household contexts. Komori (2012) found that in Japan, women used household accounting as a practical tool for managing family finances through structured budgeting and detailed record-keeping. In a similar way, Piorkowsky (2000) reported that some households in Germany maintained regular financial records as part of their normal financial routines. Unlike formal accounting, which follows established accounting standards and reporting procedures, household accounting is generally informal and focuses on managing day-to-day income, expenditure, budgeting, and financial responsibilities within the household. Household accounting can further be understood as consisting of different forms, including informal cash-based tracking, structured budgeting practices, and integrated household-business record-keeping systems. While formal accounting is primarily used for business reporting and accountability, household accounting is mainly concerned with financial control and decision-making at the household level (Toth, Kasa & Lentner, 2023:000121).

Beyond simple tracking of income and expenditure, household accounting also reflects how financial roles are organised within families. Álvarez-Dardet et al. (2013) argue that accounting records can reveal how economic responsibilities and decision-making authority are distributed among household members. This suggests that household accounting is not only a technical practice but also part of how families organise financial relationships and responsibilities in daily life. In households that operate micro-scale businesses, such as spaza shops, financial practices are often interconnected. Some families may keep separate records for household and business activities, while others combine them into a single system depending on how financial control is managed (Ramlugun et al., 2016:63; Raharjo & Kamayanti, 2015:76). In such contexts, household accounting is influenced by practical considerations such as trust, responsibility, and shared decision-making, which shape how money is recorded and controlled within family-run enterprises (Álvarez-Dardet et al., 2013; Raharjo & Kamayanti, 2015:76). While household accounting differs from formal accounting in structure and purpose, it still incorporates basic record-keeping principles found in formal accounting systems (Entorf & Hou, 2018:4; Toth, Kasa & Lentner, 2023:000121).

The development of accounting practices over time also shows that financial systems did not emerge in isolation but evolved gradually alongside trade and administration. Early evidence of record-keeping can be traced to ancient civilisations such as Mesopotamia, Egypt, Greece, and Rome, where accounting was used for taxation, trade, and resource management (Berisha & Asllanaj, 2017:157). Over time, these practices developed alongside systems of writing and numeracy, forming the foundation of modern accounting systems (Bertalan, Holloway & Napier, 2013:1; Napier, 2001:9).

A major turning point in accounting history was the work of Luca Pacioli in 1494, which formalised the double-entry bookkeeping system and significantly influenced modern accounting practice (Sangster & Santini, 2022:312). Before this development, accounting practices were largely unstandardised, although some form of record-keeping already existed in early societies (Berisha & Asllanaj, 2017:157). Over time, increasing economic complexity led to the need for more structured systems of financial control and reporting. As a result, accounting evolved into a structured system that supports financial control and decision-making in organisations. It involves the identification, recording, and interpretation of financial transactions to produce reliable financial information for decision-making purposes (Zyznarska-Dworczak, 2018:195). Accounting theory further supports this function by guiding the preparation and use of financial information in organisational decision-making (Carnegie, Parker & Tsahuridu, 2021:3).

In modern business environments, formal accounting systems are governed by established standards such as Generally Accepted Accounting Principles (GAAP), which ensure consistency, transparency, and accountability in financial reporting (Nobes & Parker, 2008:4). These systems are essential for organisational governance, performance monitoring, and compliance. However, in informal businesses such as spaza shops, financial practices are often less structured, with owners prioritising day-to-day survival and profit generation over detailed record-keeping (Putra et al., 2019:819; Ramli et al., 2017:185).

2.3.3 Adoption of Corporate Accounting by Household/Informal Business

Previous studies have shown that the evolution of accounting has been affected by economic growth and the increasing complexity of trade. The said evolution has transitioned from informal household bookkeeping to structured corporate accounting (Ramlugun, Ramdhony & Poornima, 2016:64). While this is the case, initially households were said to have developed basic record-keeping methods to manage their household budgets (Ramlugun et al. 2016:63). According to Ramlugun et al. (2016:63), these informal practices established the foundation for corporate accounting principles, and as a result, larger businesses gradually adopted corporate accounting (Ramlugun et al. 2016:63). However, over time, this trend has shifted toward accounting systems that are increasingly structured, formally governed, and professionally managed within organisations.

Consequently, this shift supported the development of consistent and standardised financial recording systems (Zelie et al. 2020:296). Additionally, the growing demand for consistent monitoring of income, expenses, and assets strengthened this transition (Zelie et al. 2020:296). As a result, this requirement contributes to the further formalisation of accounting practices (Zelie et al. 2020:296) and, moreover, confirms their central role within the financial management of households and businesses (Zelie et al. 2020:296).

2.3.4 Key Areas of Household Accounting

Household accounting consists of various practices used by individuals and small business owners to manage their finances (Raharjo & Kamayanti, 2015:76; Winarto, 2022:65). These practices help with planning, monitoring income and expenditure, and maintaining control over financial matters (Raharjo & Kamayanti, 2015:76; Winarto, 2022:65). For the purposes of this study, the key areas of household accounting discussed include pricing decisions, marketing decisions, income management, and expense management.

2.3.4.1 Pricing Decision

Research studies have demonstrated that improper pricing policies can adversely affect business viability (Liu, Lin, Wang & Ding, 2020:17). According to research, determining appropriate pricing is essential for any small business striving to achieve financial stability and sustainability (Cant, Wiid & Sephapom, 2016:1737). For instance, Cant et al. (2016:1737) noted that inappropriate pricing can weaken a business's prospects for sustained operation. Additionally, Kawira (2021:30). Additionally, Kawira (2021:30) emphasises that prices should be set in line with the target market. Highlighting how pricing strategies directly influence business performance in smaller enterprises (Kawira, 2021:30).

Given that the main objective of informal businesses, such as spaza shops, is to generate profit (Cant et al. 2016:1737), owners of businesses in the informal sector should find a balance between cost-effectiveness and profitability while considering the local socio-economic environment (Kawira, 2021:30. According to Manuere, Gwangwava and Jengeta (2015:224), the high failure rate among SMEs is often linked to inadequate pricing strategies.

Pricing decisions are therefore essential for spaza shop owners (Manuere et al. 2015:224), thus enabling them to accurately assess their cost control, purchasing prices, transportation fees, and operating costs to establish pricing strategies which ensure sustainability (Cant et al. 2016:1737; Manuere et al. 2015:225). Research also indicates that spaza shop owners lacking basic financial knowledge may set prices that reduce profits or cause sales to drop (Liu et al. 2020:17). Furthermore, informed pricing decisions require an understanding of cost–volume–profit analysis and demand elasticity (Liu et al. 2020:17). Therefore, such knowledge helps spaza shop owners to stay competitive and protect their sustained financial stability (Liu et al. 2020:17).

2.3.4.2 Marketing Decisions

According to a research study by Nordin and Ravald (2023:2), marketing plays a key role in helping informal businesses to attract customers and maintain their loyalty. Additionally, Greenbank (2000:210) has observed that informal businesses often rely on experience and existing strengths rather than formal marketing methods. Bacon and Schneider (2019:3) have added that marketing knowledge is vital for small businesses, although it is often less sophisticated than that of an established business. However, Bacon and Schneider (2019:3) observed that limited resources in small businesses could restrict their ability to employ marketing specialists, reducing marketing effectiveness. Carson, O'Connor, and Simmons (2020:798) have stressed that marketing is key to increasing business visibility and attracting customers.

As a result, spaza shops often use informal advertising, such as word of mouth (Carson et al. 2020:798). Furthermore, it is also reported that financial literacy enables owners to create more structured marketing strategies (Bacon & Schneider, 2019:3). More importantly, a strong understanding of customer behaviour and basic needs can improve a spaza shop’s visibility and buyer base significantly (Bacon & Schneider, 2019:3), hence informing effective marketing decisions (Nordin & Ravald, 2023:2).

An instance such as giving a discount calls for careful financial planning to ensure that marketing expenses do not exceed the profit, particularly in unregulated and previously disadvantaged communities (Liu et al. 2020:17). It is reported that spaza shop owners with strong financial literacy has the ability to allocate marketing resources more productively (Nordin & Ravald, 2023:2). This approach ultimately drives increased sales and promotes business growth (Nordin & Ravald, 2023:2).

2.3.4.3 Income Management

It is reported that households use strategies to manage their income. Thus, it depends on household budget and earning capacity (Mazzotta, Papaccio & Parisi, 2019:2). For instance, some households allocate separate budgets for different needs, such as operating a spaza shop (Mazzotta et al. 2019:2), while others use a single fund for both household and business expenses (Campaña, Giménez-Nadal, Molina & Velilla., 2024:1057). According to research conducted by Kirsten (2018:2), some households utilise business funds for personal purposes. However, it is also indicated that there are no universal rules for household budgeting. Household income accounting involves categorising all costs, deducting income and expenses, and maintaining records in a book (Kirsten, 2018:2). Thereby, household income management focuses on tracking and evaluating finances to make well-informed decisions and preventing debt (Kirsten, 2018:2). Furthermore, it also entails monitoring expenses to reveal spending patterns (Wachyu & Winarto, 2022:63).

2.3.4.4 Expenses Management

According to research, expense management involves the process of planning and controlling spending to ensure that households live within their means (Wachyu & Winarto, 2022:63). Research has shown that spaza shops are typically operated from homes or low-income areas to minimise rental expenses (Wachyu & Winarto, 2022:63). Consequently, owners of spaza shops often work in the shops themselves or with family members to reduce hiring costs (Wachyu & Winarto, 2022:63). As a result, these informal businesses usually tend to maintain strong relationships with their preferred suppliers, thus leading to better payment plans and discounts. Research shows that spaza shop owners often make bulk purchases to reduce costs and take advantage of discounts (Tawodzera & Tengeh, 2019:16). Lastly, these businesses need to monitor inventory levels to prevent overstocking or running out of stock (Wachyu & Winarto, 2022:63).

2.3.5 Decision Making

Research conducted by Pahl (2000:504) demonstrates that households and consumers frequently assume dual roles as both purchasers and producers within informal economic activities, thereby making a meaningful contribution to wider economic outcomes (Pahl, 2000:504); Mkhize & Mugova, 2025:2. While that is the case, several studies reported that spaza shops are mainly operated from homes, thereby expressing the entrepreneurial spirit within these communities (Llewellyn & Walker, 2000:448). Furthermore, spaza shops in the informal sector depend on household resources for income (Llewellyn & Walker, 2000:448). Hence, they function as small-scale economic units within their communities (Llewellyn & Walker, 2000:448). Within these informal business settings, decision-making is a critical aspect of daily operations. Spaza shop owners regularly make decisions regarding pricing, stock purchases, expenditure, budgeting, and the allocation of limited financial resources. These decisions are often influenced by the financial information available to them, including sales records, income, expenses, cash flow, and stock levels. The ability to understand and use such information can assist owners in evaluating business performance, identifying financial challenges, and making informed decisions that support business sustainability (Fatoki & Oni, 2016:188; Nordin & Ravald, 2023:2; Liu et al., 2020:17).

According to research, different forms of accounting exist within households and in the formal business sector; however, these practices are interconnected (Zelie et al., 2020:295). Household accounting enables the management of resources and tracking of expenses, and in this way supports informal business activities. In addition, spaza shops rely on sound financial management to remain profitable, frequently employing informal but effective accounting methods (Hare & Walwyn, 2019:1). This indicates that household accounting is not only a private practice but also forms part of the broader economic system, linking household and informal business financial activities.

Spaza shop owners use basic financial information such as daily sales, cash flow, and informal records to guide their day-to-day decision-making. These financial indicators are used to set prices, manage stock levels, control operating expenses, and make decisions about reinvestment in the business. In many cases, such decisions rely on a combination of recorded information and memory-based tracking due to the informal nature of their operations. As a result, financial information plays a central role in shaping routine business decisions and sustaining the continuity of spaza shop activities (Hare & Walwyn, 2019:1; Mkhize & Mugova, 2025:2).

2.3.6 Financial literacy

Research results show that understanding basic accounting principles helps spaza shop owners to maintain correct financial records (Fatoki & Oni, 2016:186). As a result, these skills allow shop owners to allocate resources efficiently (Asiamah, 2023:260). Financial literacy enables owners to manage inventory efficiently, minimise waste, and optimise stock turnover (Kirsten, 2018:2). Stronger financial skills also help shop owners negotiate effectively with suppliers, reducing costs and improving access to credit (Tetani & Hlagala, 2021:20). Overall, these competencies support the continued stability and success of spaza shops (Asiamah, 2023:260).

Financial literacy is about understanding the use of various financial skills, such as management and budgeting (Kirsten, 2018:2). Consequently, it supports more informed business judgements (Asiamah, 2022:260). In small-scale businesses such as spaza shops, financial literacy equips owners to interpret financial information and make informed choices. A lack of these skills may lead to ineffective financial choices (Fatoki & Oni, 2016:186). Building financial literacy is therefore crucial to the growth and stability of these businesses.

Financial literacy enables spaza shop owners to manage their finances effectively and develop a clear understanding of key financial concepts (Asiamah 2023:260; Brown, Bacq & Charman 2018). Developing these abilities supports well-informed decision-making and fosters continued business growth (Asiamah 2023:260; Brown, Bacq & Charman 2018). For spaza shops to stay in business, owners must manage their activities carefully (Fatoki & Oni 2016:186; Wolmarans & Meintjes 2015:89).

However, while that is the case, spaza shops, operating as informal businesses, represent a spirit of resilience and creativity, as they manage challenges absent the burden of paying taxes to the South African Revenue Services (SARS) (Blaauw, 2025:2). According to the study conducted, there is increasing concern of the large number of the informal business for not being accountable for SARS (Blaauw, 2025:2). Given these circumstances, the literature suggests that effective daily monitoring of cash flow is necessary for ensuring the uninterrupted functioning of the informal business (Ezimma, Ifeanyi & Clara, 2020:1). Additionally, developing and strictly following a budget is important in achieving their business objectives and preserving accurate transaction records (Mazzotta et al. 2019:2).

2.3.7 Financial Management

Financial management involves making decisions that affect a business's financial stability (Kirsten 2018:1). Both start-ups and established businesses require planning for short- and long-term finances (Perks 2010:449). Many informal businesses, however, lack the necessary financial skills to do this effectively. According to Brawijaya (2015:76), every household has a family member who manages finances and functions as a financial manager (Brawijaya, 2015:76). In the same way, spaza shops manage their finances at home (Fatoki & Oni, 2016:186). Brawijaya (2015) goes on to state that poor management skills lead to failures in spaza shops (Perks, 2010:449). Brawijaya (2015:76) also pointed out that spaza shops require financial and management skills to manage their respective businesses successfully (Brawijaya, 2015:76).

Understanding financial principles is vital for making sound business decisions (Fatoki & Oni, 2016:186). Research indicates that owners of spaza shops often have varying levels of financial knowledge, which affects how they manage and interpret financial information (Brawijaya, 2015:76; Perks, 2010:449). However, many spaza shop owners lack the skills to manage business finances effectively (Kirsten, 2018:2).

2.3.8 Role of Financial Information in Decision-making

Financial information refers to the financial activities carried out within a spaza shop (Atrill, 2019:2). Financial statements provide the data owners need to make informed business decisions (Atrill, 2019:2). These statements are closely linked to a shop's objectives and can guide planning and goal-setting (Atrill, 2019:2). Making decisions without considering financial data may result in poor or inaccurate choices (Atrill, 2019:2). This lack of understanding is often seen in the high failure rate of informal businesses. Many spaza shop owners may not fully grasp how financial information affects their decisions, which could explain the slow growth of these shops (Atrill, 2019).

2.3.9 Factors Affecting Spaza Shops

Spaza shops play an important role in local small-scale business activity and contribute to income generation and employment within many communities (Mkhize & Mugova, 2025:2). Despite their significance, these businesses encounter various challenges that may hinder their growth and long-term sustainability (Van Scheers & Makhitha, 2016:244). In many previously disadvantaged communities, high levels of unemployment and limited economic opportunities have encouraged individuals to engage in informal business activities (Van Scheers & Makhitha, 2016:244). As a result, spaza shops have become an important source of livelihood in township and rural areas, supporting household incomes and contributing to local economic development (Patrick, 2021:1). The sustainability and success of these businesses are influenced by socio-economic and operational conditions that affect their day-to-day activities and future growth. These include economic challenges such as unemployment and limited income, as well as operational constraints related to business resources, management practices, and access to financial information.

2.3.9.1 Competition

South Africa has faced a long period of slow economic growth, accompanied by rising living costs and high youth unemployment (Ngcobo, Zhou & Pillay, 2025:2). In response, informal businesses, including spaza shops, have increased in townships and rural areas (Tengeh & Mukwarami, 2017:62). This growth has intensified competition, both among spaza shops and with larger formal businesses (Tengeh & Mukwarami, 2017:62). Research indicates that smaller businesses close to shopping malls tend to earn lower profits than those positioned farther away (Ngcobo et al. 2025:2).

2.3.9.2 Transportation

Communities continue to rely on spaza shops for their everyday purchases, as shown by their growing presence. However, rising fuel costs make it harder for owners to manage transportation and keep product prices stable. A limited understanding of customer behaviour can lead to overstocking and waste as products approach their expiry dates. Monitoring customer choices is therefore crucial for spaza shops to meet demand and reduce unnecessary losses (Tengeh & Mukwarami, 2017:62; Van Eyk et al. 2022:20). Meanwhile, spaza shops depend on efficient transport systems to collect products from suppliers, which is essential for smooth daily operations (Tengeh & Mukwarami, 2017:62; Van Eyk et al., 2022:20).

2.3.9.3 Financial Support

Many spaza shop owners and managers operate in previously disadvantaged communities. Consequently, these businesses often struggle to grow and may close within a few years due to limited financial support (Kirsten, 2018:2). The main challenge for these micro-stores is the lack of funds and the difficulty of obtaining financing through formal institutions (Kirsten, 2018:2). Financial institutions set specific criteria that applicants must satisfy before they can access funding (Asiamah, 2022). These include a clear business plan, up-to-date financial statements, a proven track record, and a basic understanding of financial concepts (Asiamah, 2022). Poor record-keeping or missing information can lead to the automatic rejection of funding applications (Asiamah, 2022).

2.3.9.4 Business Skills

Spaza shops have the potential to grow when owners or managers possess the necessary business and financial skills. Without these skills, expanding and effectively managing the business becomes challenging. Developing business expertise helps owners foster growth while improving their understanding of customer needs (Asiamah, 2022:260).

2.3.10 Financial Literacy and Training

Training is an important component of financial literacy, as it contributes to the ability of spaza shop owners to understand and use financial information effectively (Lamb, Kunene & Dyili, 2019:1352; Tengeh & Mukwarami, 2017:62). Financial literacy refers to the ability to use and interpret financial information to make informed business decisions, including budgeting, record-keeping, and financial planning (Lamb, Kunene & Dyili, 2019:1352; Tengeh & Mukwarami, 2017:62). However, many informal businesses have limited access to training, mentorship, and support systems, which can negatively affect their financial capabilities and business sustainability (Lamb, Kunene & Dyili, 2019:1352; Tengeh & Mukwarami, 2017:62).

Access to relevant training can strengthen financial literacy by improving knowledge and skills in areas such as budgeting, cash flow management, record-keeping, and the use of financial information in decision-making (Kirsten, 2018:2). This enables owners to make more informed operational and financial decisions (Idris, Saridakis & Johnstone, 2023:2). Entrepreneurship education further enhances financial literacy by improving understanding of business management and financial practices (Grecu & Denes, 2017:2; Kirsten, 2018:2). Studies show that training is associated with improved record-keeping, stronger financial management practices, and improved performance among small businesses, including spaza shops (Asiamah, 2023:261). As a result, training contributes to the ability of owners to interpret and apply financial information effectively, supporting better decision-making and business growth.

Despite this, the informal sector continues to face limited access to structured training and mentorship. This lack of support restricts the development of financial literacy and limits opportunities for business expansion (Lamb, Kunene & Tengeh, 2017:62). Therefore, training and financial support remain essential for improving financial capabilities and strengthening the sustainability of spaza shops.

CHAPTER 3: RESEARCH METHODOLOGY CHAPTER

3.1 Introduction

The preceding chapter provided a detailed literature review of spaza shops, including an exploration of how owners' understanding of financial information affects their decision-making. The present chapter explains the procedures followed in conducting the investigation. Next, Section 3.2 outlines the research approach, explaining how the approach was conducted and justifying the chosen methods. Section 3.3 describes the research design. The focus is on systematically examining the financial literacy levels of spaza shop owners and how these levels influence their financial decisions and the sustainability of their businesses.

Section 3.4 provides details on the population, sampling techniques, and participant profiles. Following this, Section 3.5 outlines the data collection methods and the procedures used to gather information from participants.

The research instruments used (Section 3.6), including interview guides and observation checklists, are described. Section 3.7 presents the process of data analysis and interpretation, explaining how qualitative data were examined to extract meaningful insights. Ethical considerations (Section 3.8), such as informed consent and confidentiality, are addressed to protect participants. The chapter concludes with a discussion on validity, reliability, credibility, and trustworthiness (Section 3.9), ensuring that the study's findings are robust and accurately represent participants' experiences.

3.2 Research Approach

This study adopted a qualitative approach to explore the experiences and perspectives of spaza shop owners in Seshego Township. By focusing on in-depth understanding rather than numerical measurement, the study aimed to uncover behaviours, motivations, and deeper meanings related to the topic. This approach allowed for detailed insights into complex social phenomena through interviews and thematic analysis. Research shows that both qualitative and quantitative methods are commonly used, and combining their strengths is increasingly recognised across various fields (McCusker & Gunaydin, 2015:537).

Qualitative research is particularly useful for examining individuals' experiences. For instance, groups of participants can be interviewed to reveal their attitudes, beliefs, and perceptions (Hammarberg, Kirkman & Lacey, 2016:499). This method focuses on words rather than numbers and seeks to understand past experiences and opinions (Daniel, 2016:91). Consequently, it provides in-depth insights into new concepts, theories, and phenomena.

In contrast, quantitative research relies on numerical data and statistical tools to confirm theories and assumptions (Daniel, 2016:91). The study adopted a qualitative strategy to understand participants' perspectives and investigate the research questions. (Majid, Othman, Mohamad, Lim & Yusof, 2017:1074; Queiros, Faria & Almeida, 2017:369).

3.3 Research Design

The method applied reflects the goals of the research and the nature of the questions being examined (Aspers & Corte, 2019:140; Harrison et al. 2017:2). One commonly used design is the case study, which is particularly effective for examining complex real-life issues within their natural context (Harrison et al. 2017:2). This design has been applied across various fields, including education (Harrison et al. 2017:2). Over the decades, case study research has evolved, influenced by methodological advancements and shifts in researchers' perspectives (Harrison et al. 2017:2; Ridder, 2017:282).

Another approach is the exploratory research design, which is useful for topics that are still being understood or developed (Olawale, Chinagozi & Joe, 2023:1385). Exploratory research allows researchers to identify priorities and establish a foundation for future studies (Olawale et al. 2023:1385). It is particularly beneficial when the research problem is clearly defined or in the process of further refinement (Olawale et al. 2023:1385). While it is often flexible and adaptive, exploratory research still follows a logical and systematic process (Olawale et al. 2023:1385).

A related, more structured approach is the exploratory sequential design, often used in mixed-method research (Gogo & Musonda, 2022:2). In this design, qualitative data are collected and analysed first, which then informs the quantitative phase (Gogo & Musonda, 2022). Unlike explanatory sequential designs, this approach prioritises discovery and concept development before testing (Gogo & Musonda, 2022:2). It is particularly suitable for developing new instruments or theoretical frameworks. The initial qualitative phase typically involves small, purposive samples, and its outcomes can be unpredictable. Consequently, researchers often design new quantitative tools based on insights generated during the qualitative phase (Gogo & Musonda, 2022:2).

For this study, a descriptive research design was adopted (Kim, Sefcik & Bradway, 2017:2). This design provides a structured way to observe and report participants' experiences without altering them (Klopper, 2008:62). It allowed the researcher to gain a real-life understanding of how financial information affects decision-making processes (Klopper, 2008:62). The primary aim was to report participants' responses as they occurred, without interpreting or modifying their input (Klopper, 2008:62). Interviews were recorded naturally, and participants' experiences were documented without manipulation (Klopper, 2008:62). According to Siedlecki (2020:8), descriptive designs aim to present situations as they truly exist, capturing real-life events accurately (Doyle, McCabe, Keogh, Brady & McCann, 2020:445).

Unlike experimental designs, which assess the effects of interventions or treatments, descriptive research focuses on understanding and portraying current circumstances (Doyle et al. 2020:445). Therefore, data collection tools such as interviews and direct observations were employed, as these are commonly used in descriptive studies (Atmowardoyo, 2018:198). The main objective is to systematically and objectively document what is being studied (Doyle et al. 2020:445). Furthermore, qualitative descriptive designs enhance this approach by providing a rich and straightforward account of events (Doyle et al. 2020:445).

3.4 Population, Sampling, and Profile of Participants

3.4.1 Population

The study's population of spaza shops was selected using a census rather than a survey, due to the lack of a comprehensive database for the area (Charman, Petersen, Piper, Liedeman & Legg, 2017:2; Kgaphola, Tawodzera & Tengeh, 2019:19). Seshego Township, which is situated in the Capricorn region of Limpopo Province, South Africa.". The census was carried out through a systematic walkabout of the township, allowing the researcher to identify most spaza shops and record their locations. Observations indicated that the majority of spaza shops are strategically positioned at street corners (Charman, et al 2017:2; Kgaphola, Tawodzera & Tengeh, 2019:19).

Approximately 500 spaza shops operate in Seshego and its surrounding areas. The township is situated about 10.3 km, or a 15-minute drive, from Polokwane. Individuals were chosen for the study based on their experience managing spaza shops in Seshego and surrounding areas. Only those actively involved in day-to-day operations and decision-making were considered eligible for the study.

3.4.2 Sampling

Researchers select a specific group from the population to participate in the study, a process known as sampling (Majid, 2018:7; Naseri, Hussin, Esa, Aziz & Nordin, 2021:654). This approach allows researchers to collect meaningful data without examining the entire population, which may be impractical due to constraints such as time, cost, and accessibility (Majid, 2018:7, Naseri et al: 654). In qualitative research, participants are chosen for their knowledge and experience relevant to the research topic (Bhardwaj, 2019:158). The aim is to gather rich insights rather than to achieve statistical generalisation (Naseri, Hussin, Esa, Aziz & Nordin, 2021:654).

For this study, purposive sampling was employed to identify participants capable of providing relevant and valuable insights (Campbell et al. 2020:655; Etikan, Alkassim & Abubakar, 2016:2). To reach the intended number of participants, the researcher relied on participants recommending others, beginning with acquaintances, friends, and family (Campbell et al. 2020:655; Etikan et al. 2016:2). Initial contact with participants was made through visits and phone calls, during which the study’s objectives and eligibility requirements were explained (Etikan et al. 2016:2). Subsequent participants were recruited through referrals from initial respondents within Seshego Township (Etikan et al. 2016:2).

In qualitative studies, Boddy (2016:429; Saunders & Townsend, 2016:839) notes that a sample of more than 30 participants per geographic area is considered large, but can be difficult to manage and analyse. The guiding principle is to continue sampling until saturation is achieved, when no additional new information emerges (Boddy, 2016:429). For this study, saturation was expected with 20–30 participants, which allowed the researcher to maintain a manageable sample while achieving sufficient depth of insight (Boddy, 2016:429; Saunders & Townsend, 2016:839). The final participant group consisted of 20 individuals involved in operating spaza shops, with the majority (17) being owners. This sample size was sufficient to capture diverse experiences while ensuring the data remained manageable for analysis (Boddy, 2016:429; Saunders & Townsend, 2016:839).

3.5 Data Collection Methods

The researcher gathered information in a structured way to answer the research questions and explore the study’s focus areas (Akhtar, 2016:71; Mwita, 2022:533). Accurate and complete data are essential for effectively addressing the research problem, as incomplete or unreliable data can compromise study outcomes (Akhtar, 2016:71; Mwita, 2022:533). The research design guides the planning of data collection, including the selection of appropriate methods and techniques (Akhtar, 2016:71; Alshengeeti, 2014:39). In this study, interviews were the primary data collection method. Interviews allow researchers to explore participants’ behaviours, perspectives, and experiences in depth (Alshengeeti, 2014:39). This method enabled participants to openly share their opinions and feelings, providing rich qualitative data for analysis (Alshengeeti, 2014:39; Alshengeeti, 2014:39; Alshengeeti, 2014:39). According to Taherdoost (2022:42), interviews also produce reliable and detailed information directly from participants.

Questionnaires were considered as an additional tool, as they are cost-effective for gathering data from multiple respondents (Alshengeeti, 2014:39; Taherdoost, 2022:42). However, designing questionnaires requires careful attention to ensure they generate accurate and consistent results. Potential challenges include question misinterpretation by participants, which may lead to incomplete or unusable responses (Alshengeeti, 2014:39; Taherdoost, 2022:42). Managing these factors is vital to uphold the consistency and credibility of the data collection methods (Taherdoost, 2022:42).

3.6 Research Data Instrument

In this study, the researcher primarily gathered information through interviews using a guided question framework (Cheng & Phillips, 2014:372; Taherdoost, 2022:40). The questions included in Appendix N were developed from the literature reviewed in Chapter 2 and aligned with the study's research objectives and research questions, with each section of the interview guide corresponding to a specific research question (Cheng & Phillips, 2014:372; Taherdoost, 2022:40). The questions focused on the key themes identified in the literature, namely pricing decisions, marketing decisions, income management, and expense control, to ensure that the data collected addressed the research questions (Cheng & Phillips, 2014:372; Taherdoost, 2022:40). The interview guide, which is included in Appendix N, was specifically designed to suit the context of spaza shop owners in Seshego Township and to explore their understanding of financial information (Cheng & Phillips, 2014:372; Taherdoost, 2022:40). It focused on key aspects of financial knowledge relevant to the daily operations and decision-making processes of these businesses. By tailoring the guide to the real-life experiences and business practices of participants, the study aimed to gain meaningful insights into how financial understanding influences their decisions and overall management practices (Taherdoost, 2022:40).

An alternative approach could have been secondary data analysis, which involves examining data previously collected by other researchers for different purposes (Cheng & Phillips, 2014:372). Secondary data analysis follows similar research principles regarding collection and analysis methods (Cheng & Phillips, 2014:372; Taherdoost, 2022:40). Previous studies have suggested that using existing data can save time and reduce costs associated with developing new instruments (Doolan, Winters & Nouredin, 2017:1). However, it is essential that secondary data is relevant, reliable, and suitable for the specific research objectives (Doolan et al. 2017:1; Taherdoost, 2022:40). The researcher therefore opted for primary data collection through interviews, as this method provided deeper insights that could not be obtained from existing data. By engaging directly with participants and aligning questions with their real-life business practices, the study was able to explore how financial knowledge shapes decision-making and daily management in spaza shops.

3.7 Data Analysis and Interpretation

3.7.1 Data Transcription and Organisation

Interviews with the 20 participants were conducted via Microsoft Teams. This platform made it easier to arrange interviews at times that were convenient for participants and minimised disruptions to their daily business activities. It also enabled the researcher to record and transcribe the interviews, which assisted in maintaining the accuracy of the data collected. With participants' consent, all sessions were audio-recorded to ensure accurate capture of information. The researcher manually transcribed all recordings, allowing for a thorough understanding of the content, as recommended in qualitative research practices (Saunders & Townsend, 2016).

The transcribed data were then imported into ATLAS.ti, a software tool for qualitative data analysis, which supported systematic organisation and coding of the narratives. Following Saldaña (2021), a two-cycle coding process was applied. The first cycle involved descriptive coding, enabling the researcher to remain closely aligned with participants' actual experiences and perspectives.

3.7.2 Coding

In the second coding cycle, pattern coding was applied to group similar codes into broader categories and themes. This process generated around 60 individual codes across the dataset, illustrated in the Treemap (Appendix C). Frequently appearing words included "business" (131), "shop" (102), "Spaza" (100), "information" (96), "experience" (47), and "knowledge" (41).

The codes were organised into categories such as educational background, business practices, and financial challenges. These categories were developed in relation to the study's research questions, which focused on understanding the financial knowledge, practices, and challenges of spaza shop owners, ensuring that the coding process directly supported the objectives of the study. The themes were derived from these categories based on recurring patterns and conceptual similarity across participants' responses. The selection of themes was guided by their relevance to the research questions and their ability to capture the key aspects of participants' experiences as identified in the literature and data. Collectively, the themes reflected the key areas investigated by the study, including financial knowledge, business practices, decision-making, financial challenges, and support needs among spaza shop owners.

These categories were further refined into five main themes:

1. **Educational and Financial Knowledge Background**
2. **Influence of Financial Literacy on Business Success**
3. **Experience and Practical Skills in Business**
4. **Training and Support Needs**
5. **Attitudes and Challenges Toward Financial Documentation**

3.7.3 Data Analysis

Data analysis is a structured process used to organise, interpret, and understand information collected from participants (Nassaji, 2015). Its purpose is to identify patterns, relationships, and trends within the data, transforming raw information into insights that address the research objectives (Nassaji, 2015).

Given that this study adopted a qualitative research design (Bailey, 2008:127), several analytical methods were considered. Common qualitative approaches include grounded theory, narrative analysis, content analysis, and descriptive analysis, each serving a specific purpose depending on the research goals and data type (Bailey, 2008:127). For example, grounded theory is useful for developing new ideas or theories by systematically comparing and examining the data (Timonen et al. 2018:4).

Grounded theory, particularly Collaborative Grounded Theory (CGT), emphasises the active role of both researcher and participants in co-creating knowledge (Timonen et al. 2018:4). This approach is well-suited for studying informal business environments, such as spaza shops, where local context and individual experiences strongly influence financial practices (Timonen et al. 2018:4). Unlike traditional grounded theory, CGT recognises that understanding is shaped through interaction rather than passively emerging from data alone (Timonen et al. 2018).

Narrative analysis examines participants' stories to understand their lived experiences and perspectives (De Fina, 2021:5). This approach highlights not only what happened but also how individuals interpret and communicate their experiences. content analysis studies written, verbal, or visual material to reveal patterns and underlying meanings (Kleinheksel, Rockich, Tawfik & Wyatt, 2020:127; Nassaji, 2015:131). This method is flexible and suitable for both qualitative and quantitative studies, allowing the researcher to consider participants' perspectives within their context (Kleinheksel et al. 2020:127).

In line with the descriptive research design of this study, qualitative descriptive analysis was employed to present participants' experiences without altering the data. The researcher first transcribed all interviews to ensure accurate capture of information (Skjott Linneberg & Korsgaard, 2019:3; Blair, 2015:14). The transcripts were then coded and processed using ATLAS.ti, a qualitative data analysis software, which helped organise, categorise, and identify patterns across the dataset (Blair, 2015:14). This method allowed for efficient management and meaningful interpretation of the collected data.

3.8 Ethics

Upholding ethical standards is a critical component of research involving human participants (Bowser, Shilton, Preece & Warrick, 2017:2124). This study posed minimal risk to participants, and strict measures were implemented to protect their privacy and ensure confidentiality. No personal identifiers were collected; instead, participants were assigned codes (e.g., P1, P2) to prevent any association with their real identities. Interview content was carefully reviewed to remove any information that could inadvertently reveal participants' identities. Audio recordings were used solely to capture accurate data, and participants were fully informed and provided consent prior to recording.

All recordings were securely stored and used only for research purposes, following ethical guidelines. Ethical clearance was obtained from the College of CAS to ensure compliance with established standards. The researcher maintained honesty, acknowledged the contributions of others, and was sensitive to participants' feelings, backgrounds, gender, and culture (Bowser et al. 2017:2124; Haines, 2017:224).

Before data collection, Consent was obtained from participants (see Appendix O), with assurance that all information provided would serve the purposes of this study alone (Bowser et al. 2017:2124; Haines, 2017:224). Participation was voluntary, and withdrawal was allowed at any time without penalty.

Ethical clearance for the study was granted by the University of South Africa prior to beginning the research. This approval ensured that fundamental ethical standards were upheld, including obtaining informed consent and maintaining confidentiality. Thereby allowing voluntary participation, and protecting participants from harm (Greenwood, 2016:508; Haines, 2017:224). To obtain this clearance, a comprehensive research proposal was submitted, detailing the study's context, aims, methodology, data-gathering instruments, and measures to address ethical concerns (Greenwood, 2016:508; Greenwood, 2016:508).

Additional documents included consent forms, participant information sheets, and letters of permission from gatekeepers, such as community leaders or business owners (Greenwood, 2016:508; Haines, 2017:224).

The ethics committee reviewed the application, assessed potential risks, and evaluated the researcher's plan for managing ethical concerns (Haines, 2017:224). The issued ethical clearance certificate serves as evidence that the study met ethical standards and is often required for publication, funding, or institutional reporting (Greenwood, 2016:508). In this study, which involved human participants, specifically spaza shop owners, ethical clearance ensured that participants' rights, privacy, and autonomy were respected throughout the research process (Greenwood, 2016:508). See Appendix A for the certificate of ethical clearance.

3.9 Validity, Reliability, Credibility, and Trustworthiness

In this study, **validity** refers to how accurately the research captured the understanding and use of financial information by spaza shop owners in Seshego Township when making business decisions (Heale & Twycross, 2015:1). To strengthen validity, the research instruments were carefully designed to align with the study's objectives, ensuring that questions directly addressed key aspects of financial literacy and daily business operations (Heale & Twycross, 2015:1). **Reliability** relates to the consistency and dependability of the data collected over time and across similar contexts (Sürücü & Maslakci, 2020:2695). To enhance reliability, the researcher ensured that questions were clear, standardised, and consistently applied to all participants. This reduced potential variation in interpretation and helped to capture comparable responses across similar settings. Structured data collection and uniform presentation of questions supported accurate reporting of the financial practices and experiences of spaza shop owners (Sürücü & Maslakci, 2020:2695).

Credibility addresses the confidence that the findings authentically reflect the participants' experiences (Coleman, 2022:2041). Data collection was conducted primarily through Microsoft Teams, allowing for in-depth discussions in a secure online environment, with telephone support from a field worker to locate the shops. The study explored how participants handled financial matters and the obstacles arising in their daily business operations. Prolonged engagement, consistent questioning, and follow-up interactions helped establish trust and encouraged honest, reflective responses (Coleman, 2022:2041).

Trustworthiness concerns the overall quality and integrity of the research, making sure that the outcomes are dependable and accurately reflect the experiences of spaza shop owners (Stahl & King, 2020:26). To maintain trustworthiness, the study emphasised transparency in data collection and analysis, applied consistent procedures, and remained sensitive to ethical considerations. Thorough documentation and reflective practices further enhanced the reliability and authenticity of the results, ensuring that the findings truly represent the financial realities of spaza shop owners in Seshego Township (Stahl & King, 2020:26).

3.10 Chapter Summary

This chapter presented the research methodology and procedures employed to collect and analyse data from spaza shop owners in Seshego Township. Interviews were audio-recorded, manually transcribed, and systematically analysed using ATLAS.ti software. Saldaña's (2016) two-stage coding was used, first creating descriptive codes, then grouping them into themes. This process resulted in the identification of four main themes: financial understanding, sources of financial guidance, decision-making behaviours, and challenges in applying financial knowledge.

The analysis showed that participants exhibited varying levels of financial literacy, largely influenced by personal experience rather than formal education or training. Some owners demonstrated effective decision-making skills, while others faced constraints such as limited financial knowledge, absence of formal records, and contextual challenges. These factors affected how financial information was interpreted and used in daily operations.

By applying Grounded Theory, the study allowed key insights to emerge organically from participants' experiences. Content analysis further provided a systematic framework for organising and interpreting the data. Overall, the findings show how informal businesses manage their finances and guide the recommendations that follow.

CHAPTER 4: PRESENTATION OF FINDINGS

4.1 Overview

Following the approach described earlier, this chapter reports the study's empirical results. The analysis focuses on information provided by participants actively involved in running spaza shops in Seshego Township and making daily business decisions. Chapter 4, therefore, focuses on the systematic presentation and interpretation of the data, thus ensuring that the analysis remains aligned with the research questions and the overall objectives. Section 4.1 provides an introductory overview of the chapter, followed by Section 4.2, which sets out the research questions informing the analysis. Section 4.3 shows the connection between the research questions and the patterns identified in the data. Sections 4.4, 4.5. 4.6 discuss the findings in relation to Research Questions 1, 2, and 3, respectively. Section 4.7 closes the chapter by outlining the principal themes and sub-themes revealed through data analysis and their connections to the study's aims.

4.2 Research Questions

This research study aimed to explore how spaza shop owners in Seshego Township and surrounding areas interpret financial information that influences their decision-making. The study was structured around three key research questions, and the findings are organised accordingly:

4.2.1 Research question 1 - How do Spaza shop owners in Seshego Township understand and use financial information in their decision making?

The first research question explored how well spaza shop owners in Seshego Township and the surrounding areas understand the financial information used in decision-making. It also investigated whether these owners make use of this information to evaluate their business performance. By focusing on the owners' financial comprehension, the study aimed to determine how effectively spaza shop owners in Seshego Township and the surrounding areas assess their performance using financial information.

4.2.2 Research Question 2 - How do spaza shop owners in Seshego Township make sense of financial information when managing their spaza shops?

The second research question examined how spaza shop owners in Seshego Township and the surrounding areas made sense of financial information in the day-to-day management of their businesses. It focused on the types of financial information that owners paid attention to, such as sales and expenses, and how this information was interpreted. The research question further considered how owners used this understanding to evaluate business outcomes and monitor performance. In doing so, it provided insight into the financial information and tools owners relied on when managing spaza shops.

4.2.3 Research question 3 - How do spaza shop owners in Seshego Township's understanding and interpretation of financial information shape their decision-making?

The third research question explored how spaza shop owners in Seshego Township and the surrounding areas used their understanding and interpretation of financial information to guide decision-making. It focused on the practices owners employed to monitor and evaluate business performance, including both formal and informal approaches. These practices included record-keeping and observing sales trends. The aim was to identify how these practices supported business evaluation and influenced decisions made in the management of spaza shops.

4.3 Linking the Research Questions to the Themes

The chapter is organised in accordance with the research questions, with findings presented through themes and sub-themes derived from qualitative data analysis conducted using ATLAS.ti. As outlined in Chapter 3, the study applied thematic analysis with ATLAS.ti to explore recurring patterns in the data. From there, initial codes were organised into sub-themes and then grouped into broader thematic categories to address each research question.

The ATLAS.ti codes were systematically categorised into sub-themes and then grouped into wider thematic categories to demonstrate how patterns in the data relate to each research question. The analyses for Research Questions 1, 2, and 3 are presented in Sections 4.4, 4.5, and 4.6, respectively, followed by a broader discussion of the themes in Section 4.7. These sections expand on the overview and research questions outlined in Sections 4.1 and 4.2. Section 4.3 links the research questions to the chapter's themes. The table that follows summarises how the themes, sub-themes, and ATLAS.ti codes were organised to reflect participants' views. This structure demonstrates how spaza shop owners understand, interpret, and use financial information in decision-making.

4.4 Secondary Research Question 1 - How do spaza shop owners understand and use financial information in decision-making?

This research question examined how spaza shop owners in Seshego Township and the surrounding areas understood financial information and how it was used in decision-making. It provided a basis for assessing how financial information was interpreted and applied in managing business activities. This research question contributed directly to the primary research question by identifying how financial understanding influences decision-making among spaza shop owners.

The following table illustrates how the themes, sub-themes, and codes from ATLAS.ti were organised to reflect participants' ideas for each research question.

The following codes have been included in this section, as they were not integrated into Chapter 3. This chapter presents ATLAS.ti codes to illustrate the development of themes and sub-themes from the participants' data. The code presentation illustrates how the findings were derived from participants.

Table 4.1: Main Themes, Sub-themes, and Codes Identified through ATLAS.ti: Understanding and Use of Financial Information in Decision-Making

Main Theme	Sub-theme	Codes from ATLAS.ti
1. Theme 1: Understanding and using Financial Information	Sub-theme 1: Formal Financial Knowledge and Training	• Attended financial workshop • Having formal financial education • Learned financial literacy in school • Desire for structured financial and business training • Limited formal financial training • Participation in training • Value of financial training
	Sub-theme 2: Informal and Experiential Learning	• Self-acquired experience through practice • No formal entrepreneurship education • No formal training • Lack of formal business or accounting knowledge • Informal financial knowledge through work experience • Informal prior selling experience Learning from prior business experience • Learning by observing family; Prior knowledge supports financial decision-making • Reliance on informal mentorship; Self-reliance
	Sub-theme 3: Record-Keeping and	• Basic record-keeping • Written record-keeping

	Financial Monitoring	• Practical financial record-keeping; Daily monitoring of financial records • Daily and weekly review of records • Record-keeping of purchases and profit; Uses records for decision-making • Informal record-keeping and basic stock/profit awareness • Difficulty balancing money; Difficulty adjusting to price changes • Basic understanding of costs and revenue • Understanding profit and cash flow; Awareness of risks of poor record-keeping • Risk of poor pricing decisions
	Sub-theme 4: Awareness, Perceptions, and Financial Preparedness	• Applying financial knowledge to increase profit • Awareness of importance of financial knowledge • Need for financial management training; Need for mentorship and support • Awareness of own limitations in financial knowledge • Awareness of profit/loss and documentation importance • Awareness of risks from poor financial knowledge • Awareness of stock and consumer safety

		• Belief that financial literacy is important • Perceives financial literacy as important • Basic financial knowledge • Financial preparedness before starting business • Recognition of financial information as critical • Recognition of gaps in financial resources • Understanding profit importance • Training helps business growth

4.5 Research Question 2

Research Question 2 examined how spaza shop owners in Seshego Township make sense of financial information in managing their businesses. It focused on the financial information owners considered important, such as sales and expenses, and how this information was interpreted to evaluate business performance. Understanding how owners make sense of financial information contributed to the primary research question by showing how they applied financial understanding in everyday decision-making. The question also highlighted whether owners relied on simple, informal information or more detailed financial measures when managing their spaza shops, where simple, informal information included day-to-day sales observations and mental calculations, while more detailed financial measures referred to recorded income and expenses, profit calculations, and stock records.

4.5.1 Secondary Research Question 2 - How do spaza shop owners in Seshego Township make sense of financial information when managing their spaza shops?

For this analysis, financial information was grouped into two main categories: primary financial information and informal financial measures. Primary financial information refers to measurable indicators used by spaza shop owners to assess business performance, such as profit, sales, costs, and losses. Informal financial measures refer to non-standardised, experience-based, and observational practices used to interpret financial performance, including customer demand patterns, stock movement, awareness of market prices, and decisions informed by prior experience. This distinction was used to organise the codes generated in ATLAS.ti into sub-themes that reflect how owners understand and apply financial information in their day-to-day business operations.

Table 4.2: Themes, Sub-themes, and **Codes Identified through ATLAS.ti: Making Sense of Financial Information in Spaza Shop Management**

Main Theme	**Sub-theme**	**Codes from ATLAS.ti**
1. Making sense of Financial information (Main Theme)	Sub-theme 1: Profit as the Primary Financial Metric	• Calculation by observing profit; Daily checks of profit • Daily profit calculation and stock monitoring • Profit as key financial metric • Profit as main metric • Profit sustainability awareness • Profit/loss tracking • Tracking costs and profit • Tracking losses and profit
	Sub-theme 2: Sales and Customer-Related Metrics	• Customer demand as performance metric • Customer demand guides stock decisions

		• Customers' daily sales and expense checks • Daily sales and profit tracking • Daily sales and stock movement Product presentation and customer preference as a business metric • Tracking sales and cost Tracking sales with receipts
	Sub-theme 3: Record-Keeping and Documentation Practices	• Daily documentation • Daily recording for stock control • Daily recording of sales • Document financial information • Manual record-keeping in a book • Record-keeping • Record-keeping in a book • Record-keeping of purchases and profit • Recording cash in and cash out • Records influence decision-making • Review of records • Speed point record sales • Use of spreadsheet for record-keeping • Using receipts to track sales • Using stock records to track progress Written diary records • Written record-keeping • Written record-keeping and cash tracking
	Sub-theme 4: Periodic Review and Financial Analysis	• Consolidation at month end • Monthly review • Weekly and monthly review of records • Performance comparison over time • Weekly review cycle

		• Weekly review of records • Performance monitoring using book
	Sub-theme 5: Decision-Making Based on Experience and Market Information	• Learning from experience • Limited awareness of advanced financial training benefits • Using financial information for decision-making • Using market price information to guide purchasing decisions • Using pamphlets for pricing information • Monitoring slow-moving items

The sub-themes in Table 4.2 were developed through iterative coding using ATLAS.ti and grouped according to whether they represented structured financial indicators or informal, experience-based financial measures. Structured financial indicators in this study refer to recorded and measurable financial data such as sales, profit, costs, and stock records, while informal financial measures refer to experience-based and observation-driven information such as mental calculations, customer demand, and daily sales estimations. This categorisation reflects how spaza shop owners interpret and use financial information in their day-to-day decision-making.

4.5.2 Secondary Research Question 3 - How do spaza shop owners in Seshego Township's understanding and interpretation of financial information shape their decision-making?

Research Question 3 examined how spaza shop owners in Seshego Township and the surrounding areas used their understanding and interpretation of financial information to guide decision-making. This research question focused on the practical methods owners relied on to monitor business performance, such as observing sales patterns and tracking stock movement. By identifying these practices, the research question highlighted how business outcomes were evaluated in daily operations. This contributed to the primary research question by showing how financial understanding shapes performance evaluation and decision-making among spaza shop owners.

Table 4.3: Themes, Sub-themes, and Codes Identified through ATLAS.ti: Understanding and Interpretation of Financial Information (Theme 1)

Main Theme	Sub-themes	Codes from ATLAS.ti
1. Interpretation of financial information to Shape decision making	Sub-theme 1: Profit and Financial Performance Measures	• Adjusting stock to maximise profit • Daily financial assessment as performance measure • Daily financial recording • Daily record-keeping and weekly stocktaking • Daily sales tracking; Informal profit check • Monitoring profit at month end; Monitoring weekly and monthly profit • Profit and loss as performance measure • Profit and stock as performance measures • Profit or loss assessed based on profit • Profit/loss as key performance measure • Profit/loss as performance measure • Record cash in/out from daily receipts • Reviewing financial records regularly • Stock and profit monitoring • Tracking sales

		• Using monthly sales to decide restocking • Using records to check profit made • Weekly profit used for stock planning • Weekly tracking of sales • Uncertainty about profit/loss
	Sub theme 2: Sales and Customer-Related Measures	• Monitoring sales patterns • Sales fluctuations used as a performance indicator • Slow sales/customer demand at times • Customer satisfaction feedback as business indicator • Competition affecting sales • Competition affecting performance
	Sub-theme 3: Record-Keeping and Monitoring	• Comparing monthly records to assess performance • Frequency of book review as a monitoring measure • Importance of keeping financial records • Partial record keeping
	Sub-theme 4: Entrepreneurial Motivation	• Awareness of the importance of being financial literate • Desire for business growth

		• Desire for external training as growth measure • Educational background not seen as a barrier • Financial literacy needed for improvement • Financial support as a growth strategy • Financial support needed for growth • Gradual stock expansion • Household financial contribution as measure • Job creation as a business goal • Motivated by unemployment • Physical infrastructure as growth constraint • Self-taught learning approach • Spending the profit in the household • Unemployment as motivation
	Sub-theme 5: Stock Management	• Adjusting stock to maximise profit • Monitoring stock spoilage • Using monthly sales to decide restocking

The next section presents the main themes and sub-themes identified from the participants' responses. This is organised to reflect the research questions and to emphasise key patterns in the data.

4.6 Presentation of Themes

The results are presented according to the research questions, beginning with the first question. The findings are structured to address each research question independently. The research questions focused on how spaza shop owners in Seshego Township and the surrounding areas understood financial information that was used to assess performance. To address this question, the research findings are organised into themes that emerged from the participants' responses, with each theme supported by direct quotations.

4.6.1 Research question 1 -Theme 1: Understanding and using Financial Information

The theme explores the extent to which owners of spaza shops in Seshego Township and the surrounding area understand the financial information that is used in the decision-making of their spaza shops. The theme then focuses on the ability of spaza shops in Seshego Township and the surrounding area to interpret basic financial records such as sales and expenses. Furthermore, the theme explores whether the spaza shop owners in Seshego Township can use this information to make informed business decisions. As a result, the theme provides insight into how financial literacy influences the overall performance and sustainability of spaza shops in Seshego Township and the surrounding areas. While this is the case, the first sub-theme focuses on the importance of formal financial knowledge and training in shaping how spaza shop owners interpret and apply financial information.

4.6.1.1 Sub-theme 1.1: Formal Financial Knowledge and Training

The sub-theme emphasises the importance of formal financial education and training among spaza shop owners in Seshego Township and the surrounding area. Most participants with financial or training exposure appeared more confident in handling financial records and in interpreting them to support better decision-making. For instance, one participant indicated that they acquired financial literacy at a formal tertiary institution where they attended a finance module. The participants also noted that It is essential to understand that business is not solely about profit; losses can occur at any time.

"I have done finance as a course. I was treasury general and I was working with university funds and budget and other experience. I could say its educational background" (Participant 3:3). "I learned Financial management, for example if you can have R2 profit, but learned that you can multiply. Also the issue with debts and also that you must have cash in hand" (Participant 3:3). "A business is not all about profit, because you will also have made losses so you must be trained to run the business as well" (Participant 4:3). "I need training on how to manage finances and savings" (Participant 3:3). "I need training on how to manage finances and savings" (Participant 3:2).

Some of participants emphasised the importance of financial training for the growth of their spaza shops. Some indicated that they have attended a finance-related workshop. Furthermore, some participants reported not attending any training but expressed a need for training to effectively manage their finances and savings. "It help us to grow our business" (Participant 3:1). "They are very important" (Participants 3:2). "There was a workshop related to finance that I attended" (Participant 3:1). "I need Training on how to manage finances and savings" (Participant 3:2). "No I don't have financial training" (Participant 1:1). "No I don't have financial training" (Participant 1:1). "No I did not attend any training" (Participant 18:1).

4.6.1.2 Sub-theme 1.2: Lack of Formal Accounting Knowledge

This sub-theme reveals that most spaza shop owners in Seshego Township and the surrounding area lack formal financial literacy. Most of the participants reported that they have not received formal financial education. This suggests that their financial management skills are primarily self-taught and based on practical experience. One participant indicated that they started operating a spaza shop when a road construction company camped nearby. "The reason why I started the spaza shop is that there was a road contractor company camping near where I say in Seshego zone 1. The contractor's employees used to say to me when they knocked off, why can't you sell us items such as matches, sugar, candles, and so forth? Then we started selling little by little and that's how we started the Spaza shop" (Participant 3:1).

Most participants reported that they have not received financial education or training on financial information. Also, one participant indicated that they needed financial support and to be monitored to operate a spaza shop successfully. "I started in November 2021, the reason being that I don't work have financial knowledge and did not have financial training. No I don't have financial training" (Participant 1:1). "No I did not attend any training" (Participant 18:1). "If they can come and give us training on how to manage our business finances" Participant (3:3). "You need financial support and be monitored so you can make profit" (Participant 4:3).

One participant stated that the reason for operating a spaza shop is that they do not work and dropped out of school in Grade 11. "The reason being that I don't work". I dropped of school in Grade 11" (Participant 20:1). Most participants indicated that they are self-taught, relying on practical experience. "I learned from that time when my mother was selling" (Participant 1:1). "The reason why I started the spaza shop is that there was a road contractor company camping near where I say in Seshego zone 1. The contractor's employees used to say to me when they knocked off, why can't you sell us items such as matches, sugar, candles, and so forth" (Participant 3:1).

4.6.1.3 Sub-theme 1.3: Informal and Experiential Learning

This sub-theme highlights that some spaza shop owners in Seshego Township and the surrounding areas primarily rely on their experiences and daily business activities to learn how to manage their finances. One participant indicated that they lack financial background; however, they have successfully operated spaza shops long enough to generate profits that contribute to their children's education. "Yes, it has been a long time since 2013, even my children they are in university now. Is just there are not jobs" (Participant 12:1).

Additionally, some participants indicated that they lacked financial knowledge and had never received financial training related to finance. "No that one I don't have financial knowledge background" (Participant 13:1). "I never had a specific training" (Participant

15:1). ”I don’t have a previous background in selling. I was working I only started when my employment ended" (Participant 16:1).

One participant indicated that they gained experience by gathering information. This experience was acquired by observing other spaza shops in Seshego Township and the surrounding areas. “I gather around from the people I see, and see what kind of products people need” (Participant 5:1).

Some participants indicated they have little competition from other spaza shops and tend to stock a variety of items to see what sells. “I don’t have much competition because of where I am based, I just stock and see if I get profit or not" (Participant 5:1). A participant noted that they gained valuable experience from the individual hired to operate the spaza shop. “Yes I have gained experience because I have hired a person to work for me" (Participant 18:1)”. One participant noted that they gained experience from operating the spaza shop (Participant 18:1). “I gain experience from my current business” (Participant 5:1). “When I work, I gain experience” (Participant 5:1).

4.6.1.4 Sub-theme 1.4: Record-Keeping, Monitoring, and Practical Skills

This sub-theme explores how spaza shop owners in Seshego Township manage their record-keeping and monitor shop activities using practical skills. Some participants mentioned that they maintained records; however, there are instances when they failed to document anything. “Okay sometimes I do write, you see, when you have business do not force you to document. Usually, I check only how we make for the day. What is profit and the stock that is needed” (Participant 18:1). “I calculated every day and worked my things” (Participant 18:2). “Yes, when I sell something I do write on the book same time” (Participant 20:1).

On the other hand, most participants indicated that they are consistent in record-keeping and monitoring. “Every day when I knock off, I write how much I made for the day” (Participant 9:1). “Yes I do write down. What is short, what is my commission and what do I have? And how much I have in the pocket or take it to the bank” (Participant 9:1). “Yes, I do record in a book. So, I can know how much is my profit” (Participant

14:1). ‘I write down and review all products to check the commission and check where I loose and gain profit. So I can’t be able to record my profit” (Participant 20:1).

“If I don’t record financial information will end up eating my profit. And you I will not be able to stock and continue” (Participant 20:2). While that is the case, one participant mentioned that they use packaging skills to attract customers. “Usually people check how products are wrapped and looked not only at the prices” Participant 18:1).

4.6.1.5 Sub-Theme-1.5: Awareness, Perceptions, and Financial Preparedness

The sub-theme focuses on how spaza shop owners in Seshego Township understand financial matters in their business. The theme focuses on their awareness of basic financial literacy and examines how these owners comprehended the profits and management of their daily business operations.

Furthermore, the theme examines how well the owners are prepared to manage their profits and make responsible financial decisions. One participant noted that comparing various prices significantly helped them to reduce their stock levels.

“I have a sort of log where I write. Book to see if I reached the target or what, and if I reached the target the log book helps me in case I want to increase stock and so forth and it helps me to help ahead” (Participant 1:2). “This is a very important question. When you operate a business and don't track your financial inputs or outputs, because you are running a spaza shop, without proper tracking, you won't see your profits and you won’t see your profit or even people who owe you” (Participant 2:4). One participant highlighted that comparing prices from various warehouses has contributed significantly to reducing stock costs and effectively managing the budget. “Yes it helps me like checking other warehouses, that I budget that maybe be less than the one I was in maybe a week ago” (Participant 1:2).

Furthermore, some participants reported maintaining writing in a logbook to track their monthly targets. “I have a sort of log where I write. Book to see if I reached the target or what, and if I reached the target the log book helps me in case I want to increase stock and so forth and it helps me to help ahead” (Participant 1:2). “This is a very important question. When you operate a business and don't track your financial inputs or outputs, because you are running a spaza shop. Without proper tracking, you won't see your profits and you won’t see your profit or even people who owes you” (Participant 2:4).

4.6.2 Research Question 2- 2. Making sense of Financial information (Main Theme)

This theme explores how spaza shop owners in Seshego Township evaluate their businesses' financial performance. It highlights the key indicators necessary for assessing their operational success. These metrics provide spaza shop owners in Seshego Township with an understanding of the criteria used to measure their performance. By analysing these measures, the research study clarified how spaza shop owners assess their performance and identify areas that could require further improvement.

4.6.2.1 Sub-theme 2.1: Profit as key metric

This sub-theme indicates that most participants primarily use profit as the main measure of their business's performance. Some participants mentioned that they write down and compare stocks that are not moving, track their stock purchases closely after buying to monitor how much they have invested and to gauge their potential profits. One participant stated that they monitor and analyse stocks that are exhibiting minimal movement.

“I write it down and compare to check which stocks are slow-moving (Participant 2:1) ” Another shared their method, saying, “I record what I buy, how much I use, and the profits as well(Participant 11:1)” One participant simply noted, “I just buy stocks and see if I make a profit or not (Participant 19:1)”

Another participant mentioned checking their records every Friday since they make their stock purchases on Saturdays (Participant 10:2). “I check the diary every Fridays because I stock every Saturdays” (Participant 16:1). Additionally, some participants remarked that they did not feel competitive; they just monitor whether the stock will yield profits or not. “I have, I don’t have competition, I just stock and see if I get profit or not” (Participant 10:1). "Yes, when I stock I write down how much I spend. And see how much will I get. Sometimes I use small packets to make more money" (Participant 1:1). "I said I write then down and compare to also check which stock is not being delayed to finish and so on" (Participant 13:3). "Yes I write like what did I buy and use and the profit and so forth. Yes, I record such things" (Participant 15:1). "I have I don't have competition, I just stock and see if I get profit or not" (Participant 10:1).

4.6.2.2 Sub-theme 2.2: Sales and Customer Metrics

This sub-theme theme focuses on how spaza shop owners in Seshego Township use recorded information about their sales and customers to guide their decisions making. The sub-theme focuses on customer buying patterns. Some participants mentioned that a significant issue arises when customers purchase items on credit but are ultimately unable to pay. "The problem is when customers buy on credit and end up not being able to pay. A customer will come looking for something and say they will get back and pay but end up not paying. If that customer doesn't come back and pay, you will fall out because the money is not even enough to sustain the business. I have seen that giving customers credit is the problem" (Participant 20:1). "Yes, the problems we come across in business because some day's customers don't buy enough as compared to other days" (Participant 14:1).

Keeping track of these details helps spaza shop owners in Seshego Township and surrounding areas to determine what stock to order, how to set prices, and how to enhance their services. Some participants noted that understanding sales and customer patterns was essential for running their shops successfully and meeting their customers' needs.

4.6.2.3 Sub-themes 2.3: Record-Keeping and Documentation

This sub-theme focuses on the management and maintenance of basic records for spaza shops in Seshego Township. The sub-theme examines how these spaza owners document their daily sales, expenses, and purchases. Some participants noted that they check their daily sales to see how the business performed each day. They also review the week's sales to understand overall progress. "I check it every day so I can check how I made for the day, and at the end of the week I also review to check how much I have to be able to stock again on weekends" (Participant 16:1). "Okay sometimes I do write, you see when you have a small business do not force you to document. Usually, I check only how we make for the day. What is profit and the stock that is needed” (Participant 18:2).

Participants explained that they often do not keep formal financial records, but instead use profit totals to understand how the business is performing. “No most of the time I don’t write. I just look on how much I spend and the profit. I just look how much I bought what and how much I got from the product” (Participant 19:2). Additionally, one participant confirmed to used Speed Point as a form of financial recording (Participant 2:4). “Okay, us we use the speed point. And it records everything. For example, if a customer buys with cash it records everything” (Participant 3:2).

One participant indicated that while they maintain records of their transactions, they tend to overlook smaller items, such as chappies, opting instead to document only larger products. One participant commented: “Yes we have books but we don’t write down everything like small item such as chappies. We don’t record them but big products” (Participant 2:4). “Yes, small items we don’t record. but we must. So it is difficult because at the same time, we agreed that only one person should sell because if I go sometimes I took maybe R20 and also my mom will do the same. So we have agreed for one person to work alone” (Participant 2:4).

4.6.2.4 Sub-theme 2.4: Periodic Review and Analysis

This sub-theme examines how spaza shop owners in Seshego Township routinely evaluate their business performance. This emphasises the practices of spaza shop owners in Seshego Township and surrounding areas to review expenses, profits, and other financial information. Some participants mentioned that at the end of every week and month-end, they compare and review financial records. “Yes and at the end of every week we compare and as well as month end. We check even previous month” (Participant 7:3). “I compare the records for the previous month compared to the current month. So that if I made any profit or losses and if I made losses they I will look at what I need to improve on” (Participant 4:3).

4.6.2.5 Sub-theme 2.5: Decision-Making Based on Experience and Market Information

This sub-theme explores how spaza shop owners in Seshego Township and its surrounding areas make informed business decisions based on their experiences and understanding of informal sector. The sub-theme emphasises that these spaza shop owners rely on insights gained from running their businesses and observing customer behaviour. Some participants mentioned that they are competing for the same customers. The participant emphasised that you cannot afford to sell similar products: “Let me say it was the competition in the same location. You can't afford to sell similar things” (Participant 16:1). “Information I gather from customers and people. Customers tell me what they want. For example, they will tell me they want grandpa for painkillers and then I know what they need from there” (Participant 19:1). One participant advised that when selling products, it is important to always check for specials in the area, such as cooking oil, so that you can purchase items in bulk. “But when you sell things you must always check specials around, like cooking oil so you can buy in bulk” (Participant 7:3).

4.6.3 Main Theme 3:3: Interpretation of financial information to shape decision making (Research question 3)

This theme explores how spaza shop owners in Seshego Township and the surrounding areas assess their business performance. This theme highlights the different financial and operational factors that these shop owners focus on.

4.6.3.1 Sub-theme 3.1: Profit and Financial Performance Measures

This sub-theme focuses on how spaza shop owners in Seshego township and the surrounding areas measure the success of their businesses through profit and other financial indicators. Some participants mentioned that they rely on pamphlets to gather financial information about products in order to keep prices low. “We rely to pamphlets to gather financial information regarding products from there, so we don’t charge too much money” (Participant 2:4). “When you sell things you must always check specials around, like cooking oil so you can buy in bulk” (Participant 7:3).

One participant explained that financial information forms a large essential part of the business. “Financial information account for about 90 percent of the business, because most is about the money so basically If you don’t know anything about financial" (Participant 4:3). "You are not going to make profit or see improvement. if there is no financial information or growing. You will just be running a business for the sake of running a business” (Participant 4:3). “Financially, because of, like in the market the way it is. you have made a budget to sell something in a short money and then end up not gaining because the market has increased the costs the next day then you don’t reach the target because you like when you sell something with less money you will find that you sell with less price’ (Participant 1:1).

One participant indicated that they have experienced attempted break-ins. “One of the challenges we had in the past, is the issue is that spaza shops attract thieves. We also had attempted breaking. And then the other challenge is the credit. The community will come and buy on credit but not pay at the end of the day. Another challenge is the brand compared to the previous brands they serve is not the same as previous so yes the brand quality is the issue now” (Participant 2:3).

4.6.3.2 Sub-theme 3.2: Sales and Customer-Related Measures

This sub-theme examines how spaza shop owners in Seshego Township and the surrounding areas keep track of their sales and customers to enhance their business operations. The sub-theme focuses on determining how often customers make purchases and how spaza shops owners in Seshego Township understand their customers. Some participants explained that monitoring sale patterns provides valuable insights that enable them to make well-informed decisions regarding stock orders. Some participants mentioned that they write down and also review by stocktaking to check the commission. “I write down and review all products to check the commission and check where I loose and gain profit” (Participant 20:2). “Every day we record and stocktaking every week” (Participant 5:2).

4.6.3.3 Sub-theme 3.3: Record-Keeping and Monitoring

This sub-theme examines how spaza shop owners in Seshego Township monitor their business activities and how they maintain records. The sub-theme focuses on record-keeping and monitoring of spaza shops' business activities. Some participants reported that they regularly review and keep receipts as a form of record-keeping. Some participants mentioned that they keep receipts to track their daily cash flow, recording cash inflows and outflows. “We also just keep receipts, like every day we record cash in and cash out" (Participant 3:2). “We use the receipts, like airtime, bread and so this kind of information you record. Things like ice cream we don’t record because now it's winter and the business for ice cream is slow in winter" (Participant 2:5). “We keep the record of things that we buy so we can track expiry dates, because if we don’t this can harm people” (Participant 2:5). “Yes, we reviewed the books twice a week” (Participant 17:1).

Other participants mentioned that they struggle to keep track of their profits. "If I don’t record my financial information, I risk losing my profits. It's important to maintain proper records to ensure continued success" (Participant 20:2). One participant noted that they review their financial books twice a week (Participant 17:1). “So I can’t be able to record my profit. If I don’t record financial information I will end up eating my profit. And you will be able to stock and continue” (Participant 20:2).

4.6.3.4 Sub-theme 3.4: Factors Influencing Financial Decision-Making

This sub-theme explores the factors that influence how spaza shop owners interpret financial information and make decisions in managing their businesses. A key factor identified is the need for financial support, which affects decisions related to business growth and expansion. Several participants indicated that limited access to funding restricts their ability to expand operations and invest in other business opportunities. One participant explained the need for financial assistance to support growth: “I need help with financial assistance, so I can be able to grow my business and be able to reach where I want to go” (Participant 20:2). Another participant similarly highlighted the need for funding to expand into other business ventures: “Funding, because me, like me I can be helped with funding to further expand to other business ventures" (Participant 10:2).

In addition, financial management challenges also influence decision-making within spaza shop operations. Some participants indicated that credit sales and customers failing to settle debts negatively affect business performance and require careful management of finances. One participant emphasised the importance of financial knowledge and support in running a small business effectively: “What spaza shops need is the knowledge, especially if it a small business. If you someone who is struggling, you need financial support so that they can be able to make profit…” (Participant 4:3). These findings suggest that access to financial resources and financial knowledge shape how owners interpret financial information and make day-to-day business decisions aimed at sustaining and growing their enterprises.

4.6.3.5 Sub-theme 3.5: Stock Management

This sub-theme examines how spaza shop owners in Seshego Township and the surrounding areas manage their stock. Thus, the sub-theme focuses on how spaza shops in Seshego Township monitors and control Inventory. Furthermore, the sub-theme highlights how owners maintain adequate stock levels and ensure that goods are replaced promptly when inventory reaches a lower point.

Most participants noted that effective stock management prevents shortages and mitigates losses. Participants mentioned that they review and stock every Saturdays, weekly or even monthly. “I check the diary every Fridays because I stock every Saturday” (Participant 10:2). “Yes, we have records, like check the stock for this month and stock to buy and check to see if things make sense. And also profit” (Participant 2:4). “Yes it helps me like checking other warehouses, that I budget that maybe be less than the one I was in maybe a week ago” (Participant 1:2). “Yes, it helps us to see how to buy and we worked for the month, indicating which product was the most sold and generally how we worked for that specific month end” (Participant 3:3).

“At the end of the month you need to know what you have made and the profit that you have made” (Participant 4:2). Participants reported that they kept a logbook in which they recorded their progress to determine whether they have met their targets. “I have a sort of log where I write, book to see if I reached the target or what. and if I reached the target the log book helps me in case I want to increase stock and so forth. And it helps me to help ahead.” (Participant 1:2).

4.7 Conclusion/Chapter Summary

This chapter presented and analysed the findings derived from the data collected from spaza shop owners, managers and employees in Seshego Township. The analysis was guided by the three research questions and was carried out using thematic analysis. The findings were organised into main themes and related sub-themes that emerged from the data. The chapter first explored the levels of understanding of financial information used in decision-making, therefore highlighting aspects such as formal and informal financial knowledge, record-keeping practices and experiential learning.

It then examined the key metrics used by spaza shops when interpreting financial performance, including profit, sales, customer-related measures and record-keeping. Finally, the chapter discussed the measures used by spaza shop owners to assess performance, focusing on financial performance indicators, monitoring practices, entrepreneurial motivation and stock management. Overall, the chapter provided empirical knowledge of how financial information is understood and utilised in decision-making activities within spaza shops in Seshego Township, consequently addressing the objectives of the study.

CHAPTER 5: DISCUSSION OF RESULTS

5.1 Overview

Chapter 4 presented the findings from participants in Seshego Township and the surrounding areas. Interviews with spaza shop owners provided the researcher with detailed insights into their business operations. Participants were invited by using a snowball sampling, in which initial contacts referred other shop owners for inclusion in the study. The interview data were examined using ATLAS.ti. A thematic analysis approach was followed. First, the transcripts were coded. The codes were then grouped into categories, refined into sub-themes, and further grouped into broader themes. These themes were structured according to the research questions. The findings are then presented descriptively to clearly reflect participants' views.

5.2 Introduction

This chapter focuses on interpreting the study's results in relation to the research questions. It begins by outlining the purpose and boundaries of the discussion. The chapter then considers the extent of financial knowledge among spaza shop owners, highlighting formal training, limitations in accounting, learning through experience, record-keeping practices, and levels of financial awareness. Attention is subsequently given to the indicators used to assess business performance, including profit, sales-related information, documentation, and review practices. The discussion further addresses factors associated with financial outcomes, such as entrepreneurial drive and stock management. The chapter concludes by consolidating the main discussion points that guided the study's conclusions and recommendations.

5.2.1 Discussion Research Question 1: How do spaza shop owners and employees in Seshego Township understand and use financial information in their business operations?

The findings revealed that most participants did not maintain structured or formal financial records. Instead, spaza shop owners primarily relied on daily profit counts to assess business performance. This observation is supported by the research reviewed in Chapter 2, which shows that academics have noted (Fatoki & Oni, 2016:187;

Charman et al. 2019:2) that informal sector owners frequently operate without accounting systems due to limited financial literacy. The present study reflects this pattern within the context of Seshego Township and its surrounding areas.

It was noted that simplified tracking methods are central to how spaza shop owners evaluate their business performance. Additionally, the findings expand on existing research by demonstrating that participants utilise daily profit assessments to inform their weekly restocking decisions. A recent study by Tetani (2023:22) similarly reports a sustained dependence on informal monitoring tools among township businesses, further emphasising the value of these practices.

5.2.1.1 Sub-theme 1.1: Formal Financial Knowledge and Training

The results indicate that only a small number of spaza shop owners in Seshego have received formal financial training. While one participant completed a financial module as part of tertiary education, most reported no formal training. Consequently, there is a strong demand for guidance on budgeting, cash flow management, debt handling, and understanding profits and losses. The studies discussed in Chapter 2 provide evidence for this finding, hence demonstrating that financial literacy improves cash management, record-keeping, and decision-making in small enterprises (Entorf & Hou, 2018:1). Previous research also notes that informal business owners often operate with limited financial knowledge, which impedes their ability to process financial information (Syafitri et al. 2023:2). Limited financial literacy contributes to unviable practices, such as inappropriate pricing and cash flow errors.

This study builds on earlier findings by demonstrating that, even when spaza shop owners in Seshego Township recognise the value of financial training, many lack access to structured learning opportunities. This gap affects their interpretation of financial information and daily practices, including pricing, financial planning, inventory management, and saving. Recent studies also highlight that financial education promotes accountability, better resource allocation, and supports the sustainability of informal businesses (Tetani, 2023:22). Overall, the low level of formal financial training among spaza shop owners in Seshego Township mirrors challenges identified in broader informal business research.

5.2.1.2 Sub-theme 1.2: Lack of Formal Accounting Knowledge

The findings indicate that most spaza shop owners in Seshego Township and surrounding areas have not received formal accounting education. Several participants shared that they began selling informally when opportunities arose in Seshego Township and the surrounding areas. One participant also indicated that they started after a nearby construction company encouraged them to establish a spaza shop to sell basic goods. Others reported starting their ventures due to unemployment or having left school early. This results in financial skills primarily developed through self-taught practical experience. Many participants also expressed a strong need for financial training, support, and ongoing monitoring to enhance the management of their businesses.

The findings align with the evidence presented in Chapter 2, which shows that many informal business owners lack structured financial knowledge, hindering their ability to interpret financial information and make informed decisions (Syafitri et al. 2023:2). Studies suggest that sound financial knowledge supports key business activities such as budgeting, pricing, and cash flow control. These competencies are frequently insufficient among spaza shop owners who depend mainly on informal learning methods (Entorf & Hou, 2018:5).

The current study supports and extends these conclusions by showing how the lack of formal accounting knowledge shapes how owners learn to manage their spaza shops, primarily through observation and familial experience. The absence of formal financial training hinders effective cost monitoring, appropriate pricing, and financial discipline. This issue reflects broader concerns in the literature regarding the vulnerability of informal businesses due to limited financial skills (Asiamah, 2023:260). Overall, the findings reinforce the idea that gaps in accounting knowledge are not unique to Seshego, but are part of a broader pattern affecting many informal businesses.

5.2.1.3 Sub-theme 1.3: Informal and Experiential Learning

The findings indicate that a high number spaza shop owners in Seshego Township have developed their entrepreneurial competencies mainly through informal, hands-on experience rather than formal financial education. Several participants noted that they lacked a financial background or formal training. As a result, they relied on years of practical experience to run their spaza shops and support their families. Some shared that they entered the business after losing their jobs, while others learned by observing neighbouring spaza shops and experimenting with different products. Conversely, some participants reported gaining knowledge through the everyday management of their shops. One participant also mentioned acquiring insights indirectly from employees who assisted with shop operations.

The results correspond with the research discussed in Chapter 2. This emphasises that informal businesses primarily rely on experience and self-directed learning, as there are often limited opportunities for formal training and mentorship (Lamb et al. 2019:1354). The existing literature suggests that while informal learning can effectively support owners in navigating competitive challenges, the absence of formal training may restrict the acquisition of essential financial and management skills (Kirsten, 2018:2).

This study supports previous findings and demonstrates that experiential learning is crucial for spaza shop owners. especially when evaluating market demand, making stock decisions, and responding to competitors. Additionally, the findings emphasise the ongoing necessity for targeted business and financial training. According to the literature, such training can enhance record-keeping, improve decision-making, increase profitability, and strengthen competitiveness in the informal sector (Grecu & Denes, 2017:1). Overall, the findings illustrate that experiential learning enables spaza shop owners to manage their businesses effectively. The lack of structured training limits the development of financial and management skills needed for better decision-making and business performance

5.2.1.4 Sub-theme 1.4: Record-Keeping, Monitoring, and Practical Skills

The findings reveal that spaza shop owners in Seshego employ a variety of approaches to record-keeping and financial monitoring. Some individuals maintain a daily record of profits or inventory needs, while others may update this information less frequently, depending on their convenience and operational requirements. Participants also emphasised the importance of practical skills, such as utilising attractive product packaging to enhance customer appeal and increase sales. These

practices demonstrate that, even in the absence of formal financial training, shop owners have developed informal methods to track and manage their businesses.
The findings support existing research highlighting how financial knowledge helps shop owners use resources effectively, interpret business information, and make informed decisions. (Chimucheka, Tikayo & Donga, 2025:113). Previous studies have also shown that informal businesses commonly rely on practical experience, creativity, and resilience to maintain profitability, even in the absence of formal training (Hare & Walwyn, 2019:2).

These results add to current knowledge by demonstrating the importance of basic financial skills in everyday business management. These practical skills not only shape customer choices but also enhance the shop's competitive position. Additionally, participants' reliance on informal financial practices underscores the importance of financial literacy for informed decision-making. These outcomes show that while experiential learning is valuable, targeted financial training might further improve the performance of spaza shops in Seshego Township and the surrounding areas (Chimucheka et al. 2025:113).

5.2.1.5 Sub-theme 1.5: Awareness, Perceptions, and Financial Preparedness

The findings reveal that spaza shop owners in Seshego exhibit varying levels of financial awareness and preparedness, which affects their ability to manage profits and make informed decisions. Several participants also mentioned using logbooks or written records to track daily and monthly targets, thereby enabling them to monitor profits and plan for inventory increases. Other participants highlighted the importance of comparing prices from different suppliers and warehouses as a strategy to lower stock costs and maintain budget control.

These practices reflect a growing understanding of financial management, even among those owners with limited formal training. This observation aligns with the literature discussed in Chapter 2. Therefore, it underscores the value of financial literacy in supporting efficient cash management, budgeting, and decision-making in informal enterprises (Selepe & Litheko 2025:2355). Previous studies also indicate that the ability to track financial inputs and outputs supports business sustainability and helps owners to optimise resource allocation (Asiamah, 2023:260; Tetani & Hlagala, 2021:22).

This study further enhances these insights by demonstrating how informal financial practices, such as logbook-based record-keeping and supplier price comparisons, support owners' financial preparedness. These practices reflect basic accounting and financial management processes that assist spaza shop owners in monitoring income, controlling costs, and making informed inventory decisions. They also enable spaza shop owners in Seshego Township to make proactive decisions regarding inventory, budgeting, and credit management. Overall, the findings suggest that, even in the absence of formal financial education, spaza shop owners are developing practical financial management practices that support the ongoing viability of their businesses.

5.2.2 Theme 2: Key Metrics Used by Spaza Shops When Interpreting Financial Performance

This theme examines how spaza shop owners in Seshego Township assess the financial performance of their businesses. It focuses on the key indicators they use to determine whether their operations are progressing or facing challenges. These metrics provide owners with a basis for evaluating daily and monthly performance and making informed decisions about their businesses. By exploring these measures, the report identifies the criteria spaza shop owners consider most important in assessing their financial success and identifying areas for improvement.

The findings indicate that spaza shop owners primarily use simple methods, such as cash flow tracking. This observation aligns with broader trends in spaza shop owners, where limited financial literacy often hinders structured financial decision-making (Atkinson & Messy, 2012:7; Fatoki & Oni, 2016:187). Furthermore, many business owners rely on intuition rather than systematic record-keeping. Also, this can affect pricing, stock management, and credit decisions (Atkinson & Messy, 2012:7). Recent evidence from South Africa suggests that these challenges remain prevalent. Many small enterprises continue to find it difficult to apply financial information in directing strategic business decisions (Atkinson & Messy, 2012; Fatoki & Oni, 2016:187).

Overall, the findings stress that the informal and inconsistent interpretation of financial data remains a significant barrier to enhancing business performance.

5.2.2.1 Sub-theme 2.1: Profit as Key Metric

The findings indicate that profitability is the primary metric used by spaza shop owners in Seshego Township and its surrounding areas to evaluate business performance. Participants consistently focused on monitoring products that yielded the highest returns, thereby omitting those with slower market movement. Several owners reported maintaining straightforward written records to analyse stock movements and assess the profit generated from their purchases.

One participant described this practice, stating that they document sales and compare them to identify which stocks are slow-moving. Another detailed approach to tracking purchases involves listing stock quantities, while some owners employed more informal methods by purchasing stock with the intention of evaluating profit or loss at a later time. Thus, monitoring profitability also involves regular record review. One participant noted reviewing their records every Friday to prepare for weekly restocking, while others mentioned documenting their expenses and anticipated returns each time new stock is procured.

A subset of participants elaborated on their strategies to enhance profitability, such as adjusting packaging sizes to create smaller product portions. While competitive dynamics were recognised, one participant expressed a lack of perceived direct competition, emphasising their focus on achieving sufficient profit from sales. These practices illustrate that spaza shop owners in Seshego Township primarily leverage profit as a lens for understanding their business performance. Notably, this evaluation process tends to be informal and relies significantly on the owner's experience rather than structured accounting frameworks. Consequently, this observation aligns with established research indicating that many informal business operators primarily rely on basic profit evaluations rather than formal financial tools (Fatoki & Oni, 2016:186).

Furthermore, previous research studies have indicated that without adequate financial literacy, small business owners often prioritise short-term profitability over long-term sustainability (Asiamah, 2023:260; Tetani & Hlagala, 2021:22). While that is the case, the current research contributes to this body of literature by demonstrating how spaza shop owners in Seshego actively document profits through simple note-taking, stock movement comparisons, and weekly evaluations, even as these methods remain unstructured.

In summary, profit serves as the central metric guiding decision-making among these shop owners in Seshego Township, thereby influencing inventory selection, purchase quantities, and daily assessments of spaza shops.

5.2.2.2 Sub-theme 2.2: Sales and Customer Metrics

The findings indicate that spaza shop owners in Seshego Township depend heavily on sales trends and customer behaviour to inform their daily business decisions. In addition, some participants described how fluctuations in customer purchases directly impact their ability to plan, budget, and restock. Several owners noted that while some days yielded satisfactory sales, other days were noticeably slow. Consequently, it becomes difficult to forecast demand accurately. To address these fluctuations, business owners need to monitor daily sales to prevent overstocking and stockouts.

One key concern raised by the participants pertains to customers who purchase on credit but fail to make repayments. As a result, the participants reported that unpaid credit negatively affects cash flow and restricts the funds available for restocking. A participant remarked that when customers do not return to settle their debts, it significantly affects the business. Insufficient cash flow undermines the ability to maintain operations, underscoring the financial challenges associated with offering credit. Additionally, another participant noted that inconsistent customer purchasing behaviour contributes to daily operational difficulties.

The experiences highlighted in this analysis underscore significant findings in the existing literature. Furthermore, informal businesses heavily depend on their understanding of customer behaviour to shape their stock management and pricing strategies (Bacon & Schneider, 2019:1). Additionally, research shows that insufficient cash flow, often due to unpaid credit, can hinder the growth and stability of informal businesses (Selepe & Litheko, 2025:2355). These observations correspond with the study’s results, as owners frequently expressed concerns about the financial risks of extending credit.

Overall, sales metrics and customer insights are integral to how spaza shop owners in Seshego Township and surrounding areas evaluate their business performance. Although their methods tend to be informal, their focus on tracking sales, observing customer buying patterns, and managing credit reveals a sound understanding of how customer behaviour influences profitability and business sustainability.

5.2.2.3 Sub-theme 2.3: Record-Keeping and Documentation

Participants reported that they frequently rely on daily and weekly sales checks to assess their business performance. Consequently, owners explained that reviewing sales at the end of each day helps them to determine whether they have met their expected targets. Moreover, conducting weekly reviews enables owners to make informed decisions regarding inventory replenishment for the forthcoming weekend. While that is the case, one participant described this routine as essential for planning purchases and maintaining stock levels.

Others mentioned that although they sometimes record figures, the documentation is not always consistent. Owners of spaza shops mainly rely on observing daily profits and identifying products that require restocking. To add to that, several participants admitted that they do not keep formal or detailed financial records. Rather, they use simple calculations based on spending and profit to evaluate how well the business is doing. As a result, this informal approach allows them to quickly estimate performance without engaging in structured bookkeeping. One participant highlighted the benefits of using a point-of-sale machine, explaining that digital transactions automatically record sales and provide an additional source of financial information.

However, the findings also reveal gaps in record-keeping practices. Some participants indicated that while they document larger items, they often overlook small, low-cost products, such as “chappies”. Furthermore, these omissions create challenges in tracking accurate stock movements and profits, especially when multiple people handle the shop’s cash. Therefore, to reduce confusion and avoid unrecorded withdrawals, one participant decided that only one person should manage sales at a time.

These conclusions align with earlier themes showing that spaza shop owners depend heavily on informal and experience-based methods to interpret owners' performance (Jonck & Nwosu, 2022:2). Relying on daily sales and simple profit checks, therefore, provides a practical way to monitor business performance, even if it lacks the rigour of formal accounting. These outcomes link to the literature review; which studies indicates that informal businesses commonly struggle with credit control. They also face irregular customer demand, which can affect cash flow and overall performance. (Medina, Jonelis & Cangul, 2016:4). Similar challenges were highlighted by authors who found that small retailers depend heavily on daily sales and face disruptions when customer purchases fluctuate. The experiences of participants in Seshego therefore support existing evidence that customer behaviour is a critical determinant of financial performance in informal businesses.

5.2.2.4 Sub-theme 2.4: Periodic Review and Analysis

The findings reveal that spaza shop owners in Seshego Township regularly conduct daily, weekly, and monthly financial record reviews. While most owners emphasise daily monitoring to track immediate financial outcomes, a number of participants also indicated weekly and monthly reviews to evaluate overall trends and identify areas for improvement. Nevertheless, this approach relies on simple comparative methods rather than formal accounting tools.

These practices clearly reflect the patterns discussed in the literature chapter. They suggest that micro-enterprise owners often depend on simple cash flow cues and intuition when making decisions, largely due to limited financial knowledge (Kirsten, 2018:2; Medina et al. 2016:4). This suggests that such informal review methods enable owners to respond quickly to business fluctuations. Hence, it lacks the precision and strategic insight offered by structured financial analyses. Additionally, the findings extend from previous research showing that while owners of spaza shops in Seshego Township recognise the value of performance monitoring, their evaluations remain largely informal and inconsistent (Medina et al. 2016:4; Kirsten, 2018:2).

5.2.2.5 Sub-theme 2.5: Decision-Making Based on Experience and Market Information

The results indicate that spaza shop owners in Seshego Township make business decisions primarily based on their personal knowledge and observations of customer behaviour. Owners reported monitoring customer preferences, such as frequently requested products, and adjusting stock accordingly. They also emphasised the importance of tracking local promotions and specials. These practices show that decision-making relies on practical knowledge and market awareness rather than formal financial analysis.

This trend reflects the literature discussed in Chapter 2, which notes that micro-enterprise owners often rely on experiential knowledge and intuitive judgment when making operational decisions (Bacon & Schneider, 2019:1). As a result, such reliance on informal market information allows owners to respond flexibly to customer demand and competitive pressures. Furthermore, intuition can limit long-term strategic planning. The findings then extend these insights by demonstrating that spaza shop owners in Seshego Township is aware of the value of market intelligence; they primarily use it for operational purposes.

5.2.3 Theme 3: Use of Profit and Financial Performance Measures

5.2.3.1 Sub-theme 3.1: Profit and Financial Performance Measures

The findings reveal that spaza shop owners in Seshego Township primarily assess business success through profit and straightforward financial indicators. As a result, they concentrate on figures that are easily accessible and interpretable. Therefore, the perspective is consistent with the literature presented in Chapter 2. It furthermore emphasises that small informal enterprises typically depend on practical financial metrics rather than formal accounting systems (Medina et al. 2016:4). By utilising these indicators, owners can track business performance and make informed decisions to sustain or enhance profitability.

In addition, the literature review underscores that financial knowledge is vital for business decisions (Nordin & Ravald, 2023:1). Therefore, the findings extend this understanding by highlighting that even when spaza shop owners in Seshego

Township recognise the significance of monitoring financial status, their practices remain largely informal and shaped by practical constraints (Kirsten, 2018:2).

5.2.3.2 Sub-theme 3.2: Sales and Customer-Related Measures

The findings reveal that spaza shop owners in Seshego Township utilise practical methods to track sales and understand their customers. They maintain daily sales records, use cash-based monitoring, and observe customer purchasing patterns to inform their decisions. This approach is consistent with the findings presented in Chapter 2, which highlighted that informal businesses typically use practical methods rather than formal accounting tools (Zelie et al. 2020:294).

By reviewing sales data and customer trends, the spaza shop owners can adjust stock levels. As a result, these practices demonstrate a functional understanding of financial and operational information. Although spaza shop owners' methods in Seshego Township may be straightforward, they support informed decision-making and contribute to improved business performance. Furthermore, these findings build on previous studies by showing that owners actively and systematically use practical information (Zelie et al. 2020:294). Consequently, the results extend the existing literature by demonstrating that owners do more than merely collect these figures.

Moreover, spaza shop owners actively interpret sales trends and customer behaviours to inform better decision-making. This suggests that, although their tools are informal, participants indicated a practical understanding of the financial information they gather. Therefore, engagement with sales and customer data offers a more nuanced perspective than what is presented in some existing studies. Additionally, the recent literature referenced here strengthens rather than replaces the foundation established in Chapter 2.

5.2.3.3 Sub-theme 3.3: Record-Keeping and Monitoring

The findings reveal that record-keeping and monitoring are crucial practices for spaza shop owners in Seshego Township. These practices frequently remain informal and vary in their consistency. Owners have reported maintaining receipts and routinely reviewing financial records to track cash inflows and outflows, thus showing an understanding of the significance of financial oversight in sustaining profitability. This finding agrees with previous research, which emphasises careful record-keeping. Moreover, efficient resource management, cash flow monitoring, and informed decision-making are crucial in small and informal enterprises (Hare & Walwyn, 2019:2).

Despite efforts to maintain records, some participants reported challenges consistently tracking profits and expenses. Therefore, participants highlighted shortcomings in formal accounting knowledge. While that is the case, the finding aligns with broader challenges noted in the literature, where informal businesses largely rely on practical experience rather than structured financial systems (Kirsten, 2018:2; Syafitri et al. 2023:2). For instance, some participants indicated selectively recording certain items, such as ignoring slow-moving products or seasonal goods. This illustrates a practical approach to financial monitoring that may restrict a comprehensive understanding of overall business performance (Kirsten, 2018:2).

Furthermore, the study adds to existing insights by demonstrating that reviewing financial records can significantly safeguard profits, thereby ensuring business continuity. This finding aligns with the principles of the Self-Accountability Theory, which indicates that business owners bear the responsibility for monitoring and documenting their financial activities to inform decision-making (Hare & Walwyn, 2019:2). Overall, the findings emphasise that while informal accounting tools are not employed, regular and consistent monitoring of financial records will better position spaza shop owners in Seshego township and mitigate the risk of profit loss.

5.2.3.4 Sub-theme 3.4: Entrepreneurial Motivation

The findings reveal that spaza shop owners in Seshego Township are driven by a blend of personal necessity, community needs, unemployment, and aspirations for business growth. Several participants indicated that unemployment and limited access to formal job opportunities motivated them to operate a spaza shop. This observation is supported by previous research, which notes that spaza shop often launch businesses as a means of personal survival (Fatoki & Oni, 2016:186).

Furthermore, the study also highlights that some owners in Seshego Township and the surrounds operate spaza shops to address the gaps in local service provision and fulfil community needs. The result aligns with Brown et al.'s (2018:2) research on community-oriented motivations among small business owners.

It was evident that financial constraints appeared as a recurring theme influencing entrepreneurial motivation. While that is the case, participants reported challenges in accessing funding and expressed the need for financial assistance to expand or preserve their operations. This pattern resonates with previous research showing that limited access to capital and formal financial support remain barriers to growth for informal businesses (Fatoki & Oni, 2016:186). Additionally, participants emphasised the importance of financial literacy and training, noting that proper guidance in financial management is essential to prevent losses and ensure profitable decision-making. These insights support literature indicating that entrepreneurial success in small enterprises often depends on both financial knowledge and access to resources (Brown et al. 2018:2).

Furthermore, the study also underscores experiential support as a significant motivational factor. Some owners relied on guidance from family or informal mentorship to navigate business challenges, illustrating the role of social and experiential learning in informal enterprises. Furthermore, the results emphasize of guidance and knowledge-sharing among spaza shop owners (Brown et al. 2018:2). Overall, the findings indicated that entrepreneurial motivation among spaza shop owners in Seshego Township is complex and influenced by several factors.

5.2.3.5 Sub-theme 3.5: Stock Management

The findings reveal that spaza shop owners in Seshego Township depend on effective stock management to remain sustainable and profitable. Consequently, these owners diligently monitor stock levels, track slow-moving items, and adjust their purchasing decisions accordingly. This approach explains the link between stock control and business results (Kawira, 2021:1; Manuere et al. 2015:223). Furthermore, differences in stock availability, pricing, and market demand can adversely affect profitability. This highlights the critical need for effective stock management to support small businesses (Kawira, 2021:1; Manuere et al. 2015:223).

Several participants reported that they compare product prices from various suppliers and promotions to guarantee affordability and maximise profits. This approach is consistent with the findings of Kawira (2021:1), who emphasises that effective pricing methods should resonate with the target market and promote financial sustainability. Similarly, sustainability (Kawira, 2021:1; Manuere et al. 2015:223) suggests that incorrect pricing decisions can threaten the sustainability of small businesses. Together, these insights indicate that effective stock management balances profitability with customer satisfaction.

Furthermore, the study reveals a close relationship between stock management and financial monitoring and planning. By diligently recording purchases and frequently reviewing stock levels, one can make informed decisions regarding resource allocation. This is consistent with the literature indicating that SMEs must manage inventory strategically to reduce risks, improve cash flow, and enhance business sustainability (Manuere et al. 2015:223). Thus, stock management emerges not simply as a daily operational task but as an essential element that influences the overall performance and expansion of informal operations.

5.3 Conclusion/Chapter Summary

This chapter discusses the study's findings on financial understanding and practices among spaza shop owners in Seshego Township. Most participants relied on informal knowledge and experience to run their businesses. Limited formal training meant that keeping records, planning finances, and overseeing day-to-day operations were often handled inconsistently.

Decision-making was largely based on personal experience, market observation, and sales trends rather than structured financial analysis. Profit, sales, and customer activity guided business choices, while stock management and entrepreneurial motivation also influenced outcomes. Overall, limited financial understanding influenced the choices made by spaza shop owners and heightened their business risks. These observations provide a basis for the conclusions and recommendations discussed in the following chapter.

CHAPTER 6: CONCLUSION

6.1 Overview

Chapter 5 discusses the research findings in relation to the literature reviewed in Chapter 2. Drawing from the findings discussed in Chapter 5, the focus of this chapter is to conclude the study on how spaza shop owners in Seshego Township understand and use financial information in decision-making to manage their businesses. Therefore, the discussion subsequently highlights key themes related to financial understanding, record-keeping practices, and decision-making. In addition, it addresses the challenges faced by spaza shop owners operating within the informal economy in Seshego Township.

The purpose of this chapter is to conclude the study by drawing together the main findings, also considering how the research addresses the problem, aim, and research questions outlined in Chapter 1. This chapter is organised as follows: it begins with an overview (Section 6.1), then, a restatement of the research problem, aim, and research questions (Section 6.2). Section 6.3 provides a synopsis of the previous chapters to contextualise the discussion. Section 6.4 presents the study's key findings. Section 6.5 draws attention to the study's contributions, including its contributions to the literature and practical applications. Section 6.6 offers recommendations for spaza shop owners, banks and financial institutions, policymakers, and support institutions, as well as suggestions for future research. The chapter outlines the study's limitations (Section 6.7) and concludes with an overall summary (Section 6.8).

6.2 Restating the Research Problem, Aim, and Research Questions

As shown in this study, spaza shops are crucial in the informal sector, supplying households with essential goods and generating income for owners in historically disadvantaged communities and townships. This also includes townships such as Seshego in the Limpopo Province. Despite their significance, many spaza shop owners operate with limited financial knowledge and depend largely on informal business practices. This situation affects the spaza shop owner’s ability to interpret financial information and make sound business decisions correctly.

As a result, these limitations may lead to poor pricing and stock management decisions, weak cash flow control, reduced sales, and inefficient use of limited resources. This study, therefore, aimed to explore how spaza shop owners in Seshego Township understand and apply financial information in their business operations, with particular attention to how this understanding shapes decision-making and influences the sustainability of spaza shops within the township. In doing so, the study attempted to illustrate support for knowledgeable decision-making that promotes business sustainability and growth. Consequently, the research problem addressed in this study concerned the limited understanding of financial information among spaza shop owners in Seshego Township and surrounding areas.

Secondly, the study considered how these owners interpret financial information, and thirdly, it examined how their understanding and interpretation of financial information shaped their decision-making in Seshego Township. Most importantly, the study aimed to examine spaza shop owners' understanding of financial information, and to determine how this understanding influenced their decision-making in spaza shops in the Seshego Township and surrounding areas. To achieve this aim, the study examined spaza shop owners' understanding and use of financial information in Seshego Township. To restate, this study was guided by the following main research question and supporting secondary research questions.

6.2.1 Primary Research Question

How do spaza shop owners in Seshego Township and surrounding areas understand and use financial information in their decision-making?

6.2.2 Secondary Research Questions (SRQ)

SRQ1: How do spaza shop owners in Seshego Township understand and use financial information in their decision-making?

SRQ2: How do spaza shop owners in Seshego Township make sense of financial information when managing their spaza shops?

SRQ3: How do spaza shop owners' understanding and interpretation of financial information shape their decision-making?

6.3 Synopsis of Previous Chapters

This chapter introduced the study by providing background information and contextualising spaza shops within the informal economy. It presented the research problem, stated the aim and objectives, and listed the research questions. A preliminary review of literature was also included, offering insight into how spaza shop owners understand and apply financial information in managing their businesses, particularly in Seshego Township and surrounding areas.

Chapter 2 reviewed literature relevant to financial literacy and the use of financial information by spaza shop owners in Seshego Township. It also established the theoretical framework for the study and identified gaps in prior research regarding the financial practices of these business owners.

Chapter 3 is building on the previous chapters; this chapter explained the methodology used in the study. It described the approach to data collection and analysis, the sampling strategy, and the ethical measures followed to ensure proper conduct throughout the research process.

Chapter 4 presents the results of the study, based on information gathered from spaza shop owners in Seshego Township and its surrounding areas. The findings were organised according to the research questions and analysed using ATLAS.ti to highlight key patterns and insights.

Chapter 5 interpreted the results in relation to the research questions and the literature reviewed in Chapter 2. It discussed the implications of the findings and demonstrated how they enhance the understanding of financial practices among spaza shop owners in Seshego Township and its surrounding areas.

6.4 Key Findings of the Study

The following section outlines the primary outcomes of the research. It explains how they address the research problem, aim, and the three research questions outlined in Chapter 1.

6.4.1 Secondary Research Question 1: How do spaza shop owners in Seshego Township understand and use financial information in their decision-making?

The findings show that most spaza shop owners in Seshego Township have limited financial knowledge (see Sections 4.2–4.2.3). Although owners recognised the importance of financial knowledge, many relied on basic methods such as daily profit counting, simple written notes, and mental calculations to manage their businesses. Participants also expressed a strong need for support in areas such as budgeting, cash-flow management, pricing, and understanding profits and losses.

These findings align with the Human Capital Theory and the RBV presented in Chapter 2 (Section 2.3). Thus, it emphasises the importance of knowledge, skills, and business resources for effective decision-making and sustainable performance. In this context, spaza shop owners' limited formal financial knowledge underscores the importance of self-accountability. They actively use informal, experiential learning to interpret financial information and make decisions that sustain their businesses.

6.4.2 Secondary Research Question 2: How do spaza shop owners in Seshego Township make sense of financial information when managing their spaza shops?

The findings (see Section 4.2) indicate that most spaza shop owners in Seshego Township have limited formal financial knowledge. The majority of participants reported not having received any formal financial or accounting training. Instead, financial skills were mainly acquired through experience, observation, and daily business activities. Although owners demonstrated awareness of the importance of financial knowledge, many relied on basic methods such as daily profit counting, simple written notes, and mental calculations to manage their businesses. Participants also expressed a strong need for support in areas such as budgeting and assessing business performance.

This finding aligns with the RBV theory discussed in Chapter 2. This shows that knowledge and skills are key resources that influence business performance. In this context, the limited formal financial knowledge of spaza shop owners suggests that their financial capabilities are informal and experience-based, reflecting self-accountability, in which knowledge is framed around what owners believe they must learn to sustain their businesses (Section 4.2.1).

6.4.3 Secondary Research Question 3: How do spaza shop owners in Seshego Township's understanding and interpretation of financial information shape their decision-making?

The findings show that spaza shop owners' decision-making in Seshego Township and surrounding areas is shaped by their understanding. Also, they rely on interpreting financial information based on experience rather than applying formal financial tools. Put differently, the findings show that decision-making among spaza shop owners is shaped by how they apply informal financial knowledge, to be interpreted within their specific business contexts. These include profit levels, sales volume, cash flow, and stock turnover. Formal financial statements were not commonly used by spaza shop owners. As shown in Section 4.3.1, most owners instead relied on practical methods to guide business decisions, including comparing expenses to sales, tracking fast and slow-moving products, and varying record-keeping practices among participants. While some maintained simple logbooks or receipts, others relied on memory or informal observations. Periodic reviews, particularly weekly and monthly checks, were used to evaluate performance trends and inform purchasing decisions.

6.4.4 Section Summary

Overall, this study identified key areas in which spaza shop owners in Seshego Township make business decisions. Table 6.1 summarises these decision-making areas, the decision-making processes, and the evidence presented in the findings chapter. The table provides a consolidated overview of how Seshego Town spaza shop owners apply self-accountability within the township decision-making context.

Table 6.12: Summary of Spaza shop Owners' Decision-making and Self-Accountability Evidence

Spaza Shop Decision Area	**Evidence of Self-Accountability**	**Where Presented and Discussed**
Profit levels	Owners tracked daily profits using simple notes and mental calculations	Sections 5.2.1 (Theme 2) and 5.3. 5.3.1.1
Sales volume	Owners monitored daily sales and compared them to expenses to evaluate performance.	Section 5.2.1.2 and 5.3.1.2
Cash flow	Owners planned cash inflows and outflows informally to maintain liquidity	Sections 5.2.1.2, 5.2.1.3, and 5.3.1.3
Stock turnover	Owners identified fast- and slow-moving products and adjusted stock purchases accordingly.	Sections 5.2.1.1, 5.2.1.5, and 5.3.1.5
Pricing decisions	Owners set product prices based on experience, demand, and competitor observation.	Sections 5.2.1.1, 5.2.1.2, and 5.2.1.5
Purchasing decisions	Owners decided what to order and when based on sales trends and available cash	Sections 5.2.1, 5.2.1.3, and 5.3.1.5

Source: Author's own construct (2025)

6.5 Contribution of the Study

This study makes both theoretical and practical contributions toward the understanding of financial information use among spaza shop owners in the informal sector.

6.5.1 Contribution to literature

The study expands existing literature on financial literacy and informal businesses by providing context-specific evidence from spaza shop owners in Seshego Township and surrounding areas. While previous studies have shown that limited financial knowledge among informal business owners relies on practical experience in managing their finances, this research shows how spaza shop owners actively interpret financial information using informal, experience-based methods. This demonstrates self-accountability in managing their spaza shops. Despite limited formal training, owners rely on practical financial indicators such as profit, sales trends, cash flow, stock movement, pricing, and purchasing decisions to guide day-to-day business activities (see Section 4.3). By applying the self-accountability theory to the township context, the study broadens existing knowledge by highlighting the role of experiential learning and personal responsibility in financial decision-making among township-based informal businesses.

6.5.2 Practical Contribution

From a practical perspective, the study delivers insights which can support the formulation of targeted financial support projects for spaza shop owners. The evidence highlight specific areas where owners require assistance, including record-keeping, budgeting, cash-flow management, pricing, and credit control. These areas also reflect self-accountability. Owners actively take responsibility for monitoring and managing their business operations, drawing on available knowledge and experience. By identifying the informal tools and methods currently used by spaza shop owners, the study provides a foundation for designing simple, affordable financial training and support programmes. These programmes align with the realities of informal businesses and leverage owners' self-accountability in managing their enterprises. These understandings may be valuable to community-based support organisations, non-governmental organisations, and local economic development initiatives seeking to strengthen the sustainability and performance of spaza shops.

6.6 Recommendations

6.6.1 Recommendations for Spaza Shop owners

Based on the findings of this study, spaza shop owners in Seshego Township would benefit from practical financial training focused on record-keeping, cash flow tracking, setting product prices, and monitoring customer credit. This training should be tailored to the realities of informal business operations, thus strengthening spaza shop owners' capacity to interpret financial information, rather than imposing a ‘one size fits all’ training approach. In light of the challenges identified in spaza shop owners’ understanding and use of financial information, this section presents practical recommendations for spaza shop owners, banks, financial institutions, policymakers, and support organisations. These recommendations aim to strengthen financial management practices, enhance access to financial services, and support the long-term sustainability of Seshego Township-based spaza shops.

6.6.2 Recommendations for Banks and Financial Institutions

Financial institutions, including banks and fintech providers, should develop tailored financial products and advisory services that address the specific challenges identified in this study, such as cash flow management and access to small-scale credit. They should also provide simplified financial tools. Low-cost banking solutions and financial literacy support are intended to improve spaza shop owners’ ability to manage their finances effectively, thus taking into account the realities of informal business operations and the growing role of technology in financial management.

6.6.3 Recommendations for Policymakers and Support Institutions

Educational institutions and non-governmental organisations (NGOs) should work together to provide ongoing financial support, mentorship, and simplified training programmes for spaza shop owners. Furthermore, initiatives that enhance access to affordable financial services should be promoted, therefore supporting the long-term sustainability and growth of informal businesses.

6.7 Suggestions for Future Research

Subsequent research could extend this study by examining spaza shop owners in other townships. This would allow for a comparison to see whether similar patterns in financial literacy and decision-making emerge throughout different informal business contexts. As a result, further studies may also explore how the use of digital financial tools and mobile banking influences financial management practices among informal business owners. In addition, the roles of mentorship and community-based networks in strengthening financial knowledge and supporting informed business decision-making warrant further scholarly attention.

6.8 Limitations of the Study

Firstly, as is the norm in qualitative studies, this study was conducted with a relatively small sample of spaza shop owners in Seshego Township. While the participants provided valuable and in-depth insights, the limited sample size may affect the generalisability of the findings to all spaza shop owners in other townships or regions. Another limitation of this study was that several spaza shop owners declined to participate, potentially limiting the range of perspectives captured. The reasons for non-participation were not formally explored, but this emphasises the challenge of engaging informal business owners in research studies.

In addition, the study focused only on spaza shops in Seshego Township and the surrounding areas. This means that the findings may not fully reflect the experiences of owners in other townships or provinces. Thus, differences in local economic conditions, access to financial services, and business practices could produce different results in other contexts. Despite these limitations, the collected data delivered rich, detailed, and practical knowledge of the financial practices and challenges faced by spaza shop owners. These findings offer a useful foundation for both policy and practice, as well as further research in the informal business sector.

6.9 Overall Conclusion

This study, through the lens of Self-Accountability Theory, examined spaza shop owners' understanding and use of financial information in Seshego Township and surrounding areas. The purpose of this study was to examine how spaza shop owners in Seshego Township understand financial information, and the strategies they employed to interpret and make sense of the financial information. Lastly, it examined the ways in which their understanding and interpretation of financial knowledge influence business management and decision-making practices. The study's findings indicate that spaza shop owners in Seshego Township have varying levels of understanding and interpretation of financial information. This variation directly influences their business management practices and business performance, reflecting self-accountability as owners take personal responsibility for interpreting information and making decisions that sustain their businesses.

However, most owners have limited formal financial knowledge and rely primarily on informal, experience-based methods to manage their businesses. Financial information is mainly interpreted through simple indicators such as profit, sales, cash availability, and stock movement rather than through formal accounting systems. Despite these limitations, the study shows that spaza shop owners demonstrate practical financial awareness. This finding extends Self-Accountability Theory by showing how owners in township contexts actively take personal responsibility for interpreting financial information, and how they make decisions to sustain their businesses, even in the absence of formal training. Secondly, participants have indicated that they actively engage with financial information in their daily operations. In addition, owners indicated that they use sales trends, customer behaviour, and stock management practices to guide decision-making and sustain their businesses. However, inconsistent record-keeping and limited financial training continue to constrain more informed decision-making and long-term business growth.

In conclusion, the study points out the need for situation-specific financial support that recognises the informal nature of rural/township-based spaza shops. Strengthening basic financial skills through feasible and approachable interventions that incorporate spaza shop owners' judgment and internal capacity may improve the sustainability and performance of spaza shops in Seshego Township by dealing with the financial knowledge gap identified in this study. Spaza shop owners may be better positioned to take well-informed decisions that support business stability and improvement within the Township informal economy.

REFERENCES

Adeoye-Olatunde, O.A. & Olenik, N.L. 2021. Research and scholarly methods: Semi-structured interviews. *Journal of the American College of Clinical Pharmacy* 4(10):1358–1367. https://doi.org/10.1002/jac5.1441.

Akhtar, I. 2016. *Research design*. *Research in Social Science: Interdisciplinary Perspectives*. Available from: https://doi.org/10.2139/ssrn.2862445 [Accessed 12 Feb. 2026].

Alkassim, R.S. & Tran, X.M. 2016. Comparison of convenience sampling and purposive sampling. *American Journal of Theoretical and Applied Statistics* 5(1):1–4.

Alshenqeeti, H. 2014. Interviewing as a data collection method: A critical review. *English Linguistics Research* 3(1):39–45. https://doi.org/10.5430/elr.v3n1p39.

Álvarez-Dardet, C., Pérez-López, J.A., López-Pérez, M.V. & García-Moreno, M.A. 2013. Accounting at home: The relationship between household accounting and the construction of family identity. *Critical Perspectives on Accounting*, 24(1):44–58

Archer, E. & Van der Walt, H. 2017. *Basic operations, tips and tricks for coding*. Pretoria: Research Rescue.

Aryeetey, E. 2015. The informal economy, economic growth and poverty in sub-Saharan Africa. In: McKay, A. & Thorbecke, E. (eds). *Economic growth and poverty reduction in Sub-Saharan Africa: Current and emerging issues*. Oxford: Oxford University Press, 159–196.

Asiamah, E.O. 2023. The effect of financial literacy on participation in the informal sector personal pension scheme in Accra, Ghana. *Open Journal of Business and Management* 11(1):260–278. https://doi.org/10.4236/ojbm.2023.111015.

Aspers, P. & Corte, U. 2021. What is qualitative in research. *Qualitative Sociology* 44(4):599–608.

Asyik, N.F., Wahidahwati & Laily, N. 2022. The role of intellectual capital in intervening financial behavior and financial literacy on financial inclusion. *WSEAS Transactions on Business and Economics* 19:805–814. https://doi.org/10.37394/23207.2022.19.70

Atiase, V., Wang, Y. & Mahmood, S. 2023. Does managerial training increase SME managers' effectiveness? A capability development approach. *International Journal of Entrepreneurial Behavior & Research* 29(8):1807–1836.

Atkinson, A. & Messy, F.A. 2012. *Measuring financial literacy: Results of the OECD/International Network on Financial Education (INFE) pilot study.*

Atmowardoyo, H. 2018. Research methods in TEFL studies: Descriptive research, case study, error analysis, and R&D. *Journal of Language Teaching and Research* 9(1):197–204.

Atrill, P. 2019. *Accounting and finance for non-specialists*. Harlow: Pearson.

Audemard, J. 2020. Objectifying contextual effects: The use of snowball sampling in political sociology. *Bulletin of Sociological Methodology* 145(1):30–60. https://doi.org/10.1177/0759106319888703.

Bacon, D.R. & Schneider, A.B. 2019. Exploring sources of marketing knowledge for small business decision makers. *Journal for Advancement of Marketing Education* 27(1):1–12.

Bailey, J. 2008. First steps in qualitative data analysis: Transcribing. *Family Practice* 25(2):127–131.

Bandura, A. 1986. Social foundations of thought and action: A social cognitive theory. Englewood Cliffs, NJ: Prentice-Hall.

Bandura, A. 1991. Social cognitive theory of self-regulation. *Organizational Behavior and Human Decision Processes*, 50(2):248–287.

Barney, J. 1991. Firm resources and sustained competitive advantage. *Journal of Management* 17(1):99–120.

Barriball, K.L. & While, A. 1994. Collecting data using a semi-structured interview: A discussion paper. *Journal of Advanced Nursing* 19(2):328–335.

Basardien, F., Parker, H., Bayat, M.S., Friedrich, C. & Appoles, S. 2013. Entrepreneurial orientation of spaza shop entrepreneurs: Evidence from a study of South African and Somali owned spaza shop entrepreneurs in Khayelitsha. *Singaporean Journal of Business Economics and Management Studies* 2(10):45–61. https://doi.org/10.12816/0006774 [Accessed 12 Feb. 2026].

Battersby, J., Marshak, M. & Mngqibisa, N. 2016. *Mapping the informal food economy of Cape Town, South Africa*. Discussion Paper No. 5. Cape Town: Hungry Cities Partnership.

Becker, G.S. 1964. *Human capital*. New York: National Bureau of Economic Research.

Berisha, V. & Asllanaj, F. 2017. The origins of accounting: A historical overview from ancient civilizations. *Accounting Research Journal* 30(2):150–166. https://doi.org/10.1108/ARJ-09-2015-0106.

Bertalan, N., Holloway, R. & Napier, C. 2013. *The emergence of "The new accounting history"*. Available from: https://www.researchgate.net/publication/264038477 [Accessed 6 Feb. 2026].

Bewser, B., Brown, K. & Rahman, M. 2017. Informal microenterprise performance and sustainability in developing economies. *Journal of Developmental Entrepreneurship* 22(3):1750018.

Bhardwaj, P. 2019. Types of sampling in research. *Journal of the Practice of Cardiovascular Sciences* 5(3):157–163.

Blaauw, D. 2025. South Africa's informal economy: The need to lift the veil. *Journal of Economic and Financial Sciences* 18(1):a1087. https://doi.org/10.4102/jef.v18i1.1087.

Blair, E. 2015. A reflexive exploration of two qualitative data coding techniques. *Journal of Methods and Measurement in the Social Sciences* 6(1):14–29.

Boddy, C.R. 2016. Sample size for qualitative research. *Qualitative Market Research: An International Journal* 19(4):426–432. https://doi.org/10.1108/QMR-06-2016-0053.

Bonnet, F., Vanek, J. & Chen, M. 2019. *Women and men in the informal economy: A statistical brief*. Geneva: International Labour Organization.

Brawijaya University. 2015. *Household financial management practices*. Malang: Brawijaya University Press:76.

Brown, K., Bacq, S. & Charman, A. 2018. Supermarkets, informal micro-enterprises and household consumption: An assessment of the food systems implications in the case of Philippi East.

Brijlal, P., Enow, S. & Isaacs, E.B. 2014. The use of financial management practices by small, medium and micro enterprises: A perspective from South Africa. *Industry and Higher Education*, 28(5):341–350.

Bryman, A. 2016. *Social research methods*. 5th ed. Oxford: Oxford University Press.

Bucci, A., Calcagno, R., Tiago, S.M., Sequeira, N., Simone & Tiago, M. 2023. Financial literacy, human capital and long-run economic growth. *The North American Journal of Economics and Finance*, Elsevier, vol. 80(C). https://doi.org/10.1016/j.najef.2025.102468.

Campaña, J.C., Giménez-Nadal, J.I., Molina, J.A. & Velilla, J. 2024. The shifters of intrahousehold decision-making in European countries. *Empirical Economics* 66(3):1055–1101. https://doi.org/10.1007/s00181-023-02494-8.

Campbell, S., Greenwood, M., Prior, S., Shearer, T., Walkem, K., Young, S., Bywaters, D. & Walker, K. 2020. Purposive sampling: Complex or simple? Research case examples. *Journal of Research in Nursing* 25(8):652–661.

Cant, M.C., Wiid, J. & Sephapo, C.M. 2016. Key factors influencing pricing strategies for small business enterprises (SMEs): Are they important? *Journal of Applied Business Research* 32(6):17.

Carnegie, G., Parker, L. & Tsahuridu, E. 2021. It’s 2020: What is accounting today? *Australian Accounting Review* 31(1):65–73. https://doi.org/10.1111/auar.12325.

Carson, G., O'Connor, C. & Simmons, G. 2020. The crucial role of market intelligence in the development of small business marketing capabilities. *Journal of Small Business and Enterprise Development* 27(5):797–816.

Central News South Africa. 2025. *Central News Yearly Wrap: The stories that shaped South Africa in 2025 – From scandals to triumphs, here's what defined our nation!* 26 December. Available from: https://centralnews.co.za/central-news-yearly-wrap-the-stories-that-shaped-south-africa-in-2025-from-scandals-to-triumphs-heres-what-defined-our-nation/ [Accessed 13 Feb. 2026].

Chan, J.T. 2020. Snowball sampling and sample selection in a social network. *Advances in Econometrics* 42:61–80. https://doi.org/10.1108/S0731-905320200000042008.

Charman, A., Bacq, S. & Brown, K. 2019. *Food Security SA Research Series - Report No 002: Supermarkets, street traders and spaza shops: Spatial determinants of formal retailers' impact on informal micro-enterprises in Philippi, Cape Town*. Available from: www.foodsecurity.ac.za [Accessed 6 Feb. 2026].

Charman, A., Petersen, L. & Piper, L. 2012. From local survivalism to foreign entrepreneurship: The transformation of the spaza sector in Delft, Cape Town. *Transformation: Critical Perspectives on Southern Africa* 78(1):47–73.

Charman, A., Petersen, L., Piper, L., Liedeman, R. & Legg, T. 2017. *Small area census of township businesses in the Western Cape*. Cape Town: Sustainable Livelihoods Foundation.

Cheng, H.G. & Phillips, M.R. 2014. Secondary analysis of existing data: Opportunities and implementation. *Shanghai Archives of Psychiatry* 26(6):371–375.

Chikanda, A. 2025. Informal cross-border traders and food trade during the global pandemic in Zimbabwe. *African Human Mobility Review* 10(3). Available from: https://epubs.ac.za/index.php/ahmr/article/view/2434 [Accessed 18 Jan. 2026].

Chimucheka, T., Tikayo, S. & Donga, G. 2025. Exploring the impact of bookkeeping and financial literacy on the performance of small businesses in Alice. *International*

Journal of Business Ecosystem & Strategy 7(4):113–126. https://doi.org/10.36096/ijbes.v7i4.84.

Coleman, P. 2022. Validity and reliability within qualitative research for the caring sciences. *International Journal of Caring Sciences*, 14(3):2041–2045.

Companies and Intellectual Property Commission. 2026. Companies and Intellectual Property Commission (CIPC). [Online]. Available at: https://www.cipc.co.za. Accessed: 17 February 2026.

Creswell, J.W. & Poth, C.N. 2018. *Qualitative inquiry and research design: Choosing among five approaches*. 4th ed. Thousand Oaks, CA: Sage.

Creswell, J.W. 2007. *Qualitative inquiry and research design: Choosing among five traditions*. 2nd ed. Thousand Oaks, CA: Sage.

Daniel, E. 2016. *The usefulness of qualitative and quantitative approaches and methods in researching problem-solving ability in science education*. London: Springer.

De Fina, A. 2021. Narrative analysis. In: De Fina, A. & Georgakopoulou, A. (eds.). *The Cambridge handbook of discourse studies*. Cambridge: Cambridge University Press:1–20.

Derbyshire, L.E., Fouché, J.P. & McChlery, S. 2023. Exploring financial literacy education strategies based on small- and micro-enterprise business practices. *South African Journal of Business Management*, 54(1):1–13.

Dhiman, A., Sen, A. & Bhardwaj, P. 2018. Effect of self-accountability on self-regulatory behaviour: A quasi-experiment. *Journal of Business Ethics* 148:79–97.

Distance Calculator. 2026. *Distance between Seshego and Polokwane*. Available at: https://distancecalculator.co.za/data/Distance-Between-Seshego-and-Polokwane_7034.html Accessed 29 January 2026.

Doolan, D.M., Winters, R. & Nouredin, M. 2017. Secondary data analysis in nursing research. *Journal of Advanced Nursing* 73(2):1–10.

Doyle, L., McCabe, C., Keogh, B., Brady, A. & McCann, M. 2020. An overview of the qualitative descriptive design within nursing research. *Journal of Research in Nursing* 25(5):443–455.

Ebrahim, A.Q. & Van den Berg, C.L. 2024. The barriers to technology adoption among businesses in the informal economy in Cape Town. *South African Journal of Information Management* 26(1):1–12. https://doi.org/10.4102/sajim.v26i1.1872.

Edwards, J.R. 2013. *A history of financial accounting*. Abingdon: Routledge.

Edwards, R. & Holland, J. 2020. Reviewing challenges and the future for qualitative interviewing. *International Journal of Social Research Methodology* 23(5):581–592. https://doi.org/10.1080/13645579.2020.1766767.

Elizabeth, P. 2024. Don't take law into your own hands: Ramaphosa warns against residents closing foreign-owned spaza shops. *The Herald*. [Online]. Available at: https://www.theherald.co.za/news/2024-12-02-dont-take-law-into-your-own-hands-ramaphosa-warns-against-residents-closing-foreign-owned-spaza-shops/ Accessed: 17 February 2026.

Entorf, H. & Hou, J. 2018. *Financial education for the disadvantaged? A review*. SAFE Working Paper No. 205. [Online]. Available at: https://ssrn.com/abstract=3167709 Accessed: 17 February 2026.

Etikan, I., Musa, S.A. & Alkassim, R.S. 2016. Comparison of convenience sampling and purposive sampling. *American Journal of Theoretical and Applied Statistics* 5(1):1–4. https://doi.org/10.11648/j.ajtas.20160501.11.

Ezimma, K.N., Ifeanyi, E.O. & Clara, A.C. 2020. Informal sector and Nigerian economic prospects: The Covid–19 experience. *European Journal of Business and Management Research* 5(4):1–8. https://doi.org/10.24018/ejbmr.2020.5.4.397.

Fatoki, O. & Oni, O. 2016. The financial self-efficacy of spaza shop owners in South Africa. *Journal of Social Sciences* 47(3):185–190. https://doi.org/10.1080/09718923.2016.11893558.

Fatoki, O. 2014. The causes of the failure of new small and medium enterprises in South Africa. *Mediterranean Journal of Social Sciences* 5(20):922–927.

Fatoki, O. 2018. The impact of entrepreneurial resilience on the success of small and medium enterprises in South Africa. *Sustainability* 10(7):2527.

Gastrow, V. 2023. Spaza shops (South Africa). In: Ali, A.A. & Keane, J. (eds.). *The Global Encyclopaedia of Informality*. Vol. 2. London: University College London Press:98–99.

Gavaza, B.K., Fihla, S. & Manquma, N. 2025. Spaza shops and community resilience in post-pandemic South Africa: A sustainable livelihoods framework analysis. *Journal of Cultural Analysis and Social Change*, volume(issue**)**:1931–1943.

Gauteng Department of Economic Development. 2024. *Gauteng Provincial Government statement on the registration of spaza shops*. Media statement, 11 December. Pretoria: Gauteng Department of Economic Development. Available at: www.gauteng.gov.za Accessed 27 January 2026.

Ghanem, K.A. & Castelli, P.A. 2019. Self-accountability in the literature of leadership. *Journal of Leadership, Accountability & Ethics*, 16(5):40. https://doi.org/10.33423/jlae.v16i5.2653.

The use of the exploratory sequential approach in mixed-method research: A case of contextual top leadership interventions in construction H&S. *International Journal of Environmental Research and Public Health*, **19**(12), 7276.

Grecu, V. & Denes, C. 2017. Benefits of entrepreneurship education and training for engineering students. *MATEC Web of Conferences* 121:12007.

Greenbank, P. 2000. Micro-business start-ups: Challenging normative decision making? *Marketing Intelligence & Planning* 18(4):206–212.

Greenwood, M. 2016. Ethics and responsibility in qualitative research. *Journal of Business Ethics* 138(3):507–520.

Gutberlet, J. 2020. Transforming cities globally: Essential public and environmental health services provided by informal sector workers. *One Earth* 3(3):287–289. https://doi.org/10.1016/j.oneear.2020.08.018.

Haines, D. 2017. Ethical considerations in qualitative research practice. *Qualitative Research Journal* 17(3):222–235.

Hammarberg, K., Kirkman, M. & de Lacey, S. 2016. Qualitative research methods: When to use them and how to judge them. *Human Reproduction* 31(3):498–501. https://doi.org/10.1093/humrep/dev334.

Harrison, G.L. & Akroyd, S. 2013. Decision-making processes in households and family contexts. *Journal of Family and Economic Issues*, 34(1):90–102.

Hare, C. & Walwyn, D. 2019. A qualitative study of the attitudes of South African spaza shop owners to competitive relationships. *South African Journal of Business Management*, 50(1): a1295.

+

, J., Chabrak, N. & Kamla, R. 2019. Emancipatory accounting and corporate governance: Critical and interdisciplinary perspectives. *Critical Perspectives on Accounting*, 63:102094. https://doi.org/10.1016/j.cpa.2018.10.007.

Heale, R. & Twycross, A. 2015. Validity and reliability in quantitative studies. *Evidence-Based Nursing* 18(3):66–67.

Idris, B., Saridakis, G. & Johnstone, S. 2023. Training and performance in SMEs: Empirical evidence from large-scale data from the UK. *Journal of Small Business Management*, 61(2):769–801. https://doi.org/10.1080/00472778.2022.2135184.

International Labour Organisation. 2025. *International Labour Organisation report title*. Geneva: International Labour Organisation. [Online]. Available at: https://www.ilo.org. Accessed: 10 February 2026.

Jagódka, M. & Snarska, M. 2021. The state of human capital and innovativeness of Polish voivodships in 2004–2018. *Sustainability* 13(22):12620.

Jauhar, A. & Tajuddin, A. 2017. Defining professional communication skills for Malaysian graduates: Evidence analysis using ATLAS.ti. [Online]. Available at: https://www.researchgate.net/publication/318785171. Accessed: 17 February 2026.

Johannisson, B. 2011. Towards a practice theory of entrepreneuring. *Small Business Economics* 36:135–150.

Jonck, P. & Nwosu, L. 2022. The influence of demographic variables on financial record-keeping in SMEs in the South African informal sector. *Journal of Economic and Financial Sciences*, 15(1):1–12. https://doi.org/10.4102/jef.v15i1.681.

Jones, O., Meckel, P. & Taylor, D. 2021. Situated learning in a business incubator: Encouraging students to become real entrepreneurs. *Industry and Higher Education* 35(4):367–383.

Kativhu, S. 2022. Success factors of youth-owned spaza shops in rural communities of Thulamela Municipality, South Africa. *African Journal of Development Studies* 12(3):125–148. https://doi.org/10.31920/2634-3649/2022/v12n3a7.

Kawira, K.D. 2021. The effect of pricing strategy on the performance of micro, small and medium enterprises (MSMEs) in Kenya. *Journal of Entrepreneurship & Project Management* 5(1):29–44.

Kgaphola, M. M. 2019. *An investigation into the sustainability of spaza shops in South Africa*. MCom dissertation. Pretoria: University of South Africa.

Kgaphola, M.M., Tawodzera, G. & Tengeh, R.K. 2019. Spaza shops and township retailing in South Africa: A census-based analysis. *Journal of Contemporary Management* 16:1–24.

Kgaphola, M.P., Tawodzera, G. & Tengeh, R.K. 2019. Scope and viability of spaza shops in a selected township in South Africa. *Amity Journal of Entrepreneurship* 4(2):16–28.

Kim, H., Sefcik, J.S. & Bradway, C. 2017. Characteristics of qualitative descriptive studies: A systematic review. *Research in Nursing & Health* 40(1):23–42.

Kirsten, C.L. 2018. The role of financial management training in developing skills and financial self-efficacy. *Southern African Journal of Entrepreneurship and Small Business Management* 10(1):1–10. https://doi.org/10.4102/sajesbm.v10i1.211.

Kleinheksel, A. J., Rockich-Winston, N., Tawfik, H. & Wyatt, T. R. 2020. Demystifying content analysis. American Journal of Pharmaceutical Education 84(1):7113.

Klopper, H. 2008. The qualitative research proposal. *Curationis* 31(4):62–72.

Knir, D., Petruha, V. & Kryvoruchko, I. 2019. Economic practices in informal business environments. *International Journal of Economics and Finance* 11(6):39–48. https://doi.org/10.5539/ijef.v11n6p39.

Komori, N. 2012. Visualizing the negative space: Making feminine accounting practices visible by reference to Japanese women's household accounting practices. *Critical Perspectives on Accounting*, 23(6):451–467.

Lamb, B., Kunene, L.N. & Dyili, N.F. 2019. Lessons from foreign owned spaza shops in South African townships. *Journal of Reviews on Global Economics*, 8:1351–1362. [Online].Availableat:https://www.academia.edu/39612345/Lessons_from_Foreign_Owned_Spaza_Shops_in_South_African_Townships. Accessed: 17 February 2026.

Li, X., Fan, W. & Wang, L. 2022. Integrating human capital theory, practice theory and situated learning for entrepreneurial knowledge acquisition. *International Journal of Educational Research* 116:9666–9680. https://doi.org/10.1016/j.ijer.2022.101966.

Ligthelm, A.A. 2008. The impact of shopping mall development on small township retailers. *South African Journal of Economic and Management Sciences* 11(1):37–53.

Liu, Y., Lin, X., Wang, J. & Ding, L. 2020. The impact of pricing strategies on small business viability. *Journal of Small Business Management* 58(1):13–30. https://doi.org/10.1080/00472778.2019.1679922.

Littleton, A.C. 1933. *Accounting evolution to 1900*. New York: American Institute Publishing Company.

Llewellyn, S. & Walker, S.P. 2000. Household accounting as an interface activity. *Accounting, Auditing & Accountability Journal* 13(4):447–471.

Lusardi, A. & Mitchell, O.S. 2014. The economic importance of financial literacy: Theory and evidence. *Journal of Economic Literature* 52(1):5–44.

Madichie, N.O., Gbadamosi, A. & Rwelamila, P. 2021. Entrepreneurship and the informal sector: Challenges and opportunities for African business development. *Journal of African Business*, 22(3):358–379. https://doi.org/10.1080/15228916.2021.1893055.

Maisela, S. 2024. How immigrant shopkeepers in Johannesburg townships succeed: A customer's eye view. *Journal of International Migration and Integration*, 25(1):359–389. https://doi.org/10.1007/s12134-023-01079-9.

Majid, M.A.A. 2018. Sampling methods in qualitative research. *Journal of Social Sciences Research* 4(2):1–10.

Majid, M.A.A., Othman, M., Mohamad, S.F., Lim, S.A.H. & Yusof, A. 2017. Piloting for interviews in qualitative research: Operationalization and lessons learnt. *International Journal of Academic Research in Business and Social Sciences* 7(4):1073–1080.

Malgas, M. & Zondi, W.B. 2020. Challenges facing small business retailers in selected South African townships. *The Southern African Journal of Entrepreneurship and Small Business Management*, 12(1). [Online]. Available at: https://journals.co.za. Accessed: 17 February 2026.

Manuere, F., Gwangwava, E. & Jengeta, M. 2015. Strategic pricing and firm success: A study of SMEs in Zimbabwe. *Asian Journal of Business and Management*, [Online]. Available at: https://www.academia.edu. Accessed: 17 February 2026.

Mapengu, R. n.d. *An investigation of the factors hindering the growth and development of locally owned spaza shops*. (Master's dissertation). University of Johannesburg. [Online]. Available at: https://search.proquest.com. Accessed: 17 February 2026.

Maseko, N. & Manyani, O. 2011. The role of accounting and financial literacy in small business success: A case of small businesses in Gauteng province, South Africa. *Journal of Economics*, 8(2):109–112.

Masisi, G.M., 2020. *The impact of the entry of national retailers into townships*. Master's thesis. University of the Free State.

Masuku, B. & Nzewi, O. 2021. The South African informal sector's socio-economic exclusion from basic service provisions: A critique of Buffalo City Metropolitan Municipality's approach to the informal sector. *Journal of Energy in Southern Africa* 32(2):59–71. https://doi.org/10.17159/2413-3051/2021/v32i2a5856.

Mazzotta, F., Papaccio, G. & Parisi, G. 2019. Household income management and consumer behaviour. *Social Indicators Research* 145(1):1–12. https://doi.org/10.1007/s11205-019-02070-x.

Mbhenyane, X.G. & Tambe, A.B. 2024. The influence of household and community food environments on food insecurity in Limpopo Province, South Africa. *International Journal of Environmental Research and Public Health* 21(2):1–15. https://doi.org/10.3390/ijerph21020125.

McCusker, K. & Gunaydin, S. 2015. Research using qualitative, quantitative or mixed methods and choice based on the research. *Perfusion* 30(7):537–542. https://doi.org/10.1177/0267659114559116.

Medina, L., Jonelis, A. & Cangul, M. 2016. *The informal economy in Sub-Saharan Africa: Size and determinants*. Washington, DC: International Monetary Fund. [Online].Availableat:https://books.google.co.za/books/publisher/content?id=hrxADwAAQBAJ&pg=PA1. Accessed: 17 February 2026.

Mkhize, M.B. & Mugova, S. 2025. Assessing the role of education and financial literacy in shaping the success of spaza shops: Case study of Gamalakhe Township, KwaZulu-Natal, South Africa. *Southern African Journal of Entrepreneurship and Small Business Management* 17(1): a1083. https://doi.org/10.4102/sajesbm.v17i1.1083.

Mokoele, J., Asha, A.A. & Ramoroka, T.M. 2015. *Street vending and household income poverty alleviation in Seshego Township, Polokwane Municipality*. In: *SAAPAM 4th Annual Conference Proceedings – Limpopo Chapter*. South Africa: SAAPAM, 837–846.

Mukwarami, J. & Tengeh, R.K. n.d. *International economics sustaining native entrepreneurship in South African townships: The start-up agenda*. Galati: Editura Universitară Danubius.

Mwita, K.M. 2022. Factors influencing data collection methods in qualitative research. *International Journal of Research in Business and Social Science* 11(2):532–540.

Mwita, K.M., 2022. Factors influencing data collection methods in qualitative research. International Journal of Research in Business and Social Science, 11(2), pp.532–540

Napier, C. 2001. The evolution of accounting systems and practices. *Accounting, Organizations and Society* 26(1):9–34. https://doi.org/10.1016/S0361-3682(00)00021-5.

Naseri, A., Hussin, S., Esa, M.S., Aziz, N.H.A. & Nordin, N. 2021. A review of qualitative sampling strategies in educational research. *International Journal of Research in Education and Science* 7(3):650–665.

Nassaji, H. 2015. Qualitative and descriptive research: Data type versus data analysis. *Language Teaching Research* 19(2):129–132.

Nassaji, H. 2020. Qualitative and descriptive research: Data type versus data analysis. *Language Teaching Research* 24(1):1–8.

Ng, F., Harrison, A.J. & Akroyd, C. 2013. A revenue management perspective of management accounting practice in small businesses. *Meditari Accountancy Research* 21(2):92–116.

Ngcobo, W.A., Zhou, S. & Pillay, S.S. 2025. The effect of financial market capitalisation on economic growth and unemployment in South Africa. *Economies* 13(3):57. https://doi.org/10.3390/economies13030057.

Nkoana, I. & Mashamaite, K. 2024. An exploratory view of entrepreneurship in South Africa. *African Journal of Innovation and Entrepreneurship* 3(2):123–146. https://doi.org/10.31920/2753-314X/2024/v3n2a6.

Nobes, C. & Parker, R. 2008. *Comparative international accounting*. 10th ed. Harlow: Pearson Education.

Nordin, F & Ravald, A 2023, ‘The making of marketing decisions in modern marketing environments’, *Journal of Business Research*, vol. 162, p. 113872.

Olarewaju, O.M. & Msomi, T.S. 2021. Accounting skills and the sustainability of small and medium enterprises in South Africa. *Journal of Accounting and Management*, 11(1):111–121.

Olawale, S.R., Chinagozi, O.G. & Joe, O.N. 2023. Exploratory research design in management science: A review of literature on conduct and application. *International Journal of Research and Innovation in Social Science* 7(4):1384–1395.

Oseifuah, E. K. 2010. Financial literacy and youth entrepreneurship in South Africa. *African Journal of Economic and Management Studies* 1(2):164–182.

Pahl, J. 2000. Household spending, personal budgeting and financial management. *Sociology*, 34(3):503–517.

Pacioli, L. 1494. *Summa de arithmetica, geometria, proportioni et proportionalità*. Venice: Paganino Paganini.

Palinkas, L. A., Horwitz, S. M., Green, C. A., Wisdom, J. P., Duan, N. & Hoagwood, K. 2015. Purposeful sampling for qualitative data collection and analysis in mixed method implementation research. Administration and Policy in Mental Health and Mental Health Services Research 42(5):533–544.

Parker, C. & Geddes, A. 2019. Snowball sampling. In: *SAGE Research Methods Foundations*. London: SAGE. https://doi.org/10.4135/9781526421036831710.

Patrick, L. 2021. Informal retail entrepreneurship and community resilience in South African townships: The case of spaza shops. *Journal of Cultural Analysis and Social Change* 10(4):1931–1943. https://doi.org/10.64753/jcasc.v10i4.3104.

Penrose, E.T. 1959. *The theory of the growth of the firm*. Oxford: Basil Blackwell.

Perks, S. 2010. Exploring the management of small business finances. *Southern African Business Review* 14(3):440–460.

Petersen, L. & Charman, A. 2018. Small-scale retailing and the informal economy: The role of spaza shops in South Africa. *Development Southern Africa* 35(4):470–486.

Petersen, L., Thorogood, C., Charman, A. & Du Toit, A. 2019. Spaza shops, informal retail and neighbourhood change in South Africa. *Development Southern Africa* 36(1):1–17.

Piorkowsky, M.-B. 2000. Household accounting in Germany: Some statistical evidence and the development of new systems. *Accounting, Auditing & Accountability Journal*, 13(4):518–534.

Polokwane Local Municipality. 2024. *Integrated development plan 2024–2029*. Polokwane: Polokwane Local Municipality. Available at: [municipal URL] (Accessed: 13 February 2026).

Putra, N.D., Haryanto, B. & Suhardi, 2019. The effect of accounting information systems on business performance. *International Journal of Economics and Financial Issues* 9(5):817–824.

Queirós, A., Faria, D. & Almeida, F. 2017. Strengths and limitations of qualitative and quantitative research methods. *European Journal of Education Studies* 3(9):369–387.

Raharjo, S.T. & Kamayanti, A. 2015. Household accounting values and implementation interpretations. *The Indonesian Journal of Accounting Research*, 18(1):75–92.

Ramli, D., Rachmawati, E. & Setiawan, A. 2017. Financial reporting quality and small business performance. *Journal of Small Business and Enterprise Development* 24(1):181–199. https://doi.org/10.1108/JSBED-06-2016-0084.

Ramlugun, V., Ramdhony, D. & Poornima, S. 2016. From household bookkeeping to formal accounting: Evidence from Mauritius. *Meditari Accountancy Research* 24(1):62–76. https://doi.org/10.1108/MEDAR-02-2015-0021.

Rector, M., Fatoki, O. & Oni, O. 2016. Access to debt finance by young entrepreneurs in Polokwane, South Africa. *Journal of Social Sciences* 49(1–2):67–69. https://doi.org/10.1080/09718923.2016.11893598.

Republic of South Africa. 2013. *Protection of Personal Information Act 4 of 2013*. Pretoria: Government Printer.

Ridder, H.G. 2017. The theory contribution of case study research designs. *Business Research* 10(2):281–305.

Rusminingsih, D. & Damayanti, L. 2022. The role of financial literacy on economic growth and human capital in Thailand. *Tamansiswa Accounting Journal International* 4(1):52–57. https://doi.org/10.54204/TAJI/Vol412022008.

Saldana, J. 2021. *The coding manual for qualitative researchers*. 4th edition. London: Sage Publications.

Sangster, A. & Santini, C. 2022. Luca Pacioli and the beginnings of modern accounting: Revisiting the 1494 Summa. *Accounting Historians Journal* 49(3):311–325. https://doi.org/10.2308/ahj-20-049.

Saunders, M. & Townsend, K. 2016. Reporting and justifying the number of interview participants in organisation and workplace research. *British Journal of Management* 27(4):836–852.

Schneider, F. & Enste, D. H. 2000. Shadow economies: Size, causes and consequences. *Journal of Economic Literature* 38(1):77–114.

Schultz, T.W. 1961. Investment in human capital. *The American Economic Review*, 51(1):1–17.

Selepe, B. & Litheko, A. 2025. A conceptual comprehension of factors that impede growth of spaza shops in South Africa. *Journal of African Business* 26(1):1–18.

Sharma, S., Mudgal, S., Thakur, K. & Gaur, R. 2019. How to calculate sample size for observational and experiential nursing research studies? *National Journal of Physiology, Pharmacy and Pharmacology* 0:1. https://doi.org/10.5455/njppp.2020.10.0930717102019.

Siedlecki, S.L. 2020. Understanding descriptive research designs and methods. *Clinical Nurse Specialist*, 34(1):8–12.

Skinner, C. & Haysom, G. 2016. The informal sector's role in food security: A missing link in policy debates? *PLAAS Working Paper 44*. Cape Town: Institute for Poverty, Land and Agrarian Studies (PLAAS), University of the Western Cape & Centre of Excellence on Food Security.

Skjott Linneberg, M. & Korsgaard, S. 2019. Coding qualitative data: A synthesis guiding the novice. *Qualitative Research Journal*, 19(3):259–270.

Slonimczyk, F. 2022. Informal employment in emerging and transition economies. Bonn: Institute of Labor Economics (IZA), *IZA World of Labor*, article no. 59, 1–59. Available at: https://doi.org/10.15185/izawol.59.v2 [Accessed 17 February 2026].

Stahl, N.A. & King, J.R. 2020. Expanding approaches for research: Understanding and using trustworthiness in qualitative research. *Journal of Developmental Education*, 44(1):26–28.

Statistics South Africa. 2011. *Census 2011: Main place Seshego*. Pretoria: Statistics South Africa.

Statistics South Africa. 2012. Census 2011: Census in brief. Pretoria: Statistics South Africa.

Statistics South Africa. 2019. *Polokwane Local Municipality socio-economic profile*. Available at: https://lg.treasury.gov.za [Accessed 29 January 2026].

Stewart, V.R., Snyder, D.G. & Kou, C.Y. 2023. We hold ourselves accountable: A relational view of team accountability. *Journal of Business Ethics*, 183(3):691–712.

Sultana, N., Rahman, M.M. & Khanam, R. 2022. Informal sector employment and economic growth: Evidence from developing countries in SDG perspective. *Sustainability*, 14(19):11989. https://doi.org/10.3390/su141911989.

Sürücü, L. & Maslakci, A. 2020. Validity and reliability in quantitative research. *Business & Management Studies: An International Journal*, 8(3):2694–2726.

Syafitri, L., Eka, A.P.B., Bakri, A.A., Aslichah, A. & Kusnadi, I.H. 2023. Improving financial control: The contribution of accounting information systems to small business performance. *Jurnal Ekonomi*, 12(3):1459–1465.

Tafodzera, G., Tengeh, R. K. & Dhurup, M. 2019. Challenges faced by informal retailers in South Africa. *Journal of Economics and Behavioral Studies* 11(2):44–55.

Taherdoost, H. 2022. How to conduct an effective interview: A guide to interview design. *International Journal of Academic Research in Management*, 11(1):39–51.

Tawodzera, G. & Tengeh, R.K. 2019. Scope and viability of spaza shops in a selected township in South Africa. *Amity Journal of Entrepreneurship*, 4(2):16–28.

Tawodzera, G. 2022. The role of the informal sector in Epworth's food system, Zimbabwe. In Riley, L. & Crush, J. eds. *Transforming urban food systems in secondary cities in Africa*. Cham: Springer, 85–102. https://doi.org/10.1007/978-3-030-93072-1_5.

Tengeh, R.K. & Mukwarami, J. 2017. The growth challenges of native-owned spaza shops in selected townships in South Africa. *International Journal of Applied Business and Economic Research*, 15(2):61–74.

Tetani, L. & Hlagala, R.B. 2021. *Factors influencing business performance of informal home-based enterprises in South Africa: The case study of "spaza shops" in Mthatha West Townships in Eastern Cape Province, South Africa*. Master's dissertation. Pretoria: University of South Africa

Tetani, L. 2023. *Factors influencing business performance of informal home-based enterprises in South Africa: The case study of "spaza shops" in Mthatha West Townships in Eastern Cape Province, South Africa*. Master's dissertation. Pretoria: University of South Africa.

Thorogood, C., Charman, A. & Du Toit, A. 2019. The informal economy and spaza shops in South Africa: Dynamics of survival and competition. *Development Southern Africa* 36(3):365–382.

Thwala, S., Masiya, T. & Lubinga, S.N. 2023. Contribution of the informal sector towards sustainable livelihoods: Evidence from Khayelitsha Township, Cape Town. *International Journal of Sociology and Social Policy*, 43(13–14):90–105. https://doi.org/10.1108/IJSSP-11-2022-0289

Timonen, V., Foley, G. & Conlon, **C.** 2018. Challenges when using grounded theory: A pragmatic introduction to doing GT research. *International Journal of Qualitative Methods* 17:1–10.

Tóth, R., Kasa, R. and Lentner, C., 2023, September. Corporate Financial Literacy at the Hungarian Small and Medium-sized Enterprises Across Pandemic Times. In 2023 IEEE 21st Jubilee International Symposium on Intelligent Systems and Informatics (SISY) (pp. 000121-000126). IEEE

Van Eyk, B., Amoah, J. & Yase, T. 2022. The role of spaza shops in sustaining township economies in South Africa. *Journal of Enterprising Communities: People and Places in the Global Economy*, 16(1):1–25

Van Scheers, L. & Makhitha, K.M. 2016. Challenges facing small independent retailers in previously disadvantaged communities in South Africa. *Journal of Contemporary Management*, 13:236–256.

Wachyu, I. & Winarto, Y.T. 2022. Expense tracking and financial awareness among low-income households. *Journal of Family and Economic Issues*, 43(1):63–79. https://doi.org/10.1007/s10834-021-09762-9.

Wernerfelt, B. 1984. A resource-based view of the firm. *Strategic Management Journal*, 5(2):171–180.

Williams, M. & Moser, T. 2019. The art of coding and thematic exploration in qualitative research. *International Management Review* 15(1):45–55.

Wolmarans, H.P. & Meintjes, Q. 2015. Financial management practices in successful small and medium enterprises (SMEs). *The Southern African Journal of Entrepreneurship and Small Business Management*, 7(1):88–116. https://doi.org/10.4102/sajesbm.v7i1.8.

Yap, C. 2019. The evolution of bookkeeping: From basic accounting to professional practice. *Accounting History Journal*, 44(1):23–38. https://doi.org/10.1080/1032378X.2019.1588923.

Yase, T., van Eyk, M. & Amoah, F. 2025. Identifying factors that influence customer experience in the peri-urban sector: the case of spaza shops. In: Proceedings of the 36th SAIMS Conference. Sun City, South Africa, November 2025

Yesufu, S. 2021. The changing landscape of the spaza retail outlet amongst Black South Africans. *EUREKA: Social and Humanities*, 5:12–23. https://doi.org/10.21303/2504-5571.2021.002050.

Yoshikuni, A.C., Dwivedi, R., Dultra-de-Lima, R.G., Parisi, C. & Oyadomari, J.C.T. 2023. Role of emerging technologies in accounting information systems for achieving strategic flexibility through decision-making performance: An exploratory study based on North American and South American firms. *Global Journal of Flexible Systems Management*, 24(2):199–218

Zelie, E.M., Alebachew, T.A. & Alem, K.A. 2020. Determinants of accounting practice in micro and small enterprises: Evidence from Ethiopia. *Journal of Economics, Business, & Accountancy Ventura*, 23(2):293–303.

Zyznarska-Dworczak, B. 2018. The role of accounting in decision making: A contemporary review. *Journal of Financial Reporting and Accounting*, 16(3):190–210. https://doi.org/10.1108/JFRA-03-2018-0023

APPENDIX A: ETHICS CLEARANCE CERTIFICATE

Ethical clearance for this study was obtained from the university's ethics committee before data collection began. Participants were informed in their preferred language about the study and their voluntary participation, with the option to withdraw at any time. All participants provided signed consent, and their responses were treated as confidential and anonymous. The university's ethical clearance certificate is provided in Appendix A.

College of Accounting Sciences_RERC

Date: 08/09/2023

NHREC Registration # : (if applicable)
Ref #: 1238
Name: Ms Sewela Patricia Mogano
Student #: 47423706
Staff #:

Dear: Ms Sewela Patricia Mogano

Decision: Ethics Approval from 7 September 2023 to 6 September 2026

Researcher: Ms Sewela Patricia Mogano

1 Preller Street Muckleneck

Pretoria

mogansp@unisa.ac.za 0720298734

Supervisor: Mr RENDANI KENNETH NZHINGA nzhinrk@unisa.ac.za

Co-Supervisor:

Co-Researcher(s):

Email address:

Owner's understanding of financial information used in the decision-making of managing Spaza Shops in the Seshego Township and surrounding areas...

Qualification: MPHIL

Thank you for the application for research ethics clearance by the College of Accounting Sciences_RERC for the above mentioned research study Ethics approval is granted for three years.

The **low risk application** was **reviewed** by College of Accounting Sciences_RERC on 7 September 2023 in compliance with the Unisa Policy on Research Ethics and the Standard Operating Procedure on Research Ethics Risk Assessment.

The proposed research may now commence with the provisions that:

1. The researcher(s) will ensure that the research project adheres to the values and principles expressed in the UNISA Policy on Research Ethics.
2. Any adverse circumstance arising in the undertaking of the research project that is relevant to the ethicality of the study should be communicated in writing to the College of Accounting Sciences_RERC .
3. The researcher(s) will conduct the study according to the methods and procedures set out in the approved application.
4. Any changes that can affect the study-related risks for the research participants, particularly in terms of assurances made with regards to the protection of participants' privacy and the confidentiality of the data, should be reported to the Committee in writing, accompanied by a progress report.

5. The researcher will ensure that the research project adheres to any applicable national legislation, professional codes of conduct, institutional guidelines and scientific standards relevant to the specific field of study. Adherence to the following South African legislation is important, if applicable: Protection of Personal Information Act, no 4 of 2013; Children's act no 38 of 2005 and the National Health Act, no 61 of 2003.

6. Only de-identified research data may be used for secondary research purposes in future on condition that the research objectives are similar to those of the original research. Secondary use of identifiable human research data requires additional ethics clearance.

7. No field work activities may continue after the expiry date (6 September 2026). Submission of a completed research ethics progress report will constitute an application for renewal, for Ethics Research Committee approval.

Additional Conditions

1. Disclosure of data to third parties is prohibited without explicit consent from Unisa.
2. De-identified data must be safely stored on password protected PCs.
3. Care should be taken by the researcher when publishing the results to protect the confidentiality and privacy of the university.
4. Adherence to the National Statement on Ethical Research and Publication practices, principle 7 referring to Social awareness, must be ensured: "Researchers and institutions must be sensitive to the potential impact of their research on society, marginal groups or individuals, and must consider these when weighing the benefits of the research against any harmful effects, with a view to minimising or avoiding the latter where possible." Unisa will not be liable for any failure to comply with this principle.

Note

The reference number 1238 should be clearly indicated on all forms of communication with the intended research participants, as well as with the Committee.

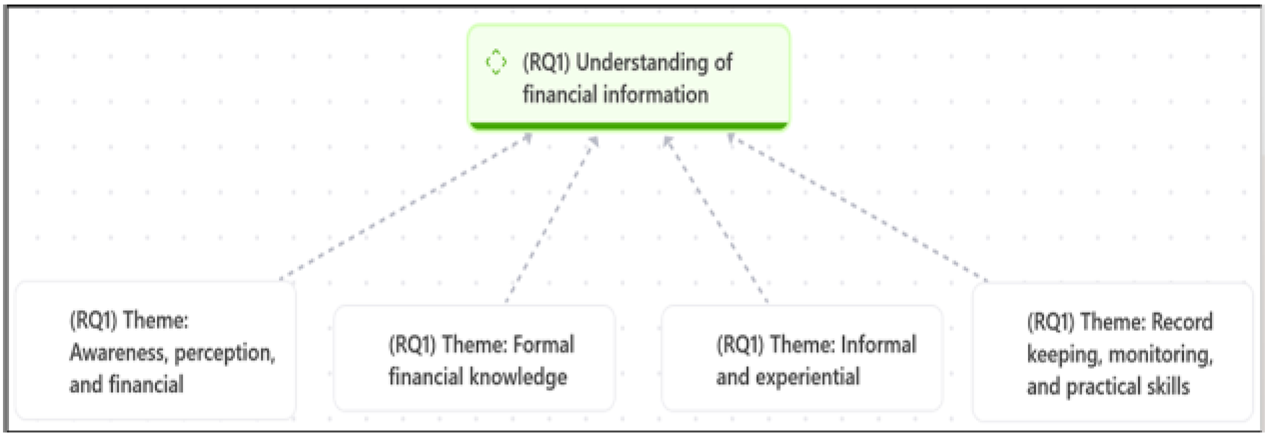
Kind regards,

Prof Lourens Erasmus
Chair of College of Accounting Sciences_RERC
E-mail: erasmlj1@unisa.ac.za

Executive Dean / By delegation from the Executive Dean of College of Accounting Sciences_RERC
E-mail: chikucn@unisa.ac.za

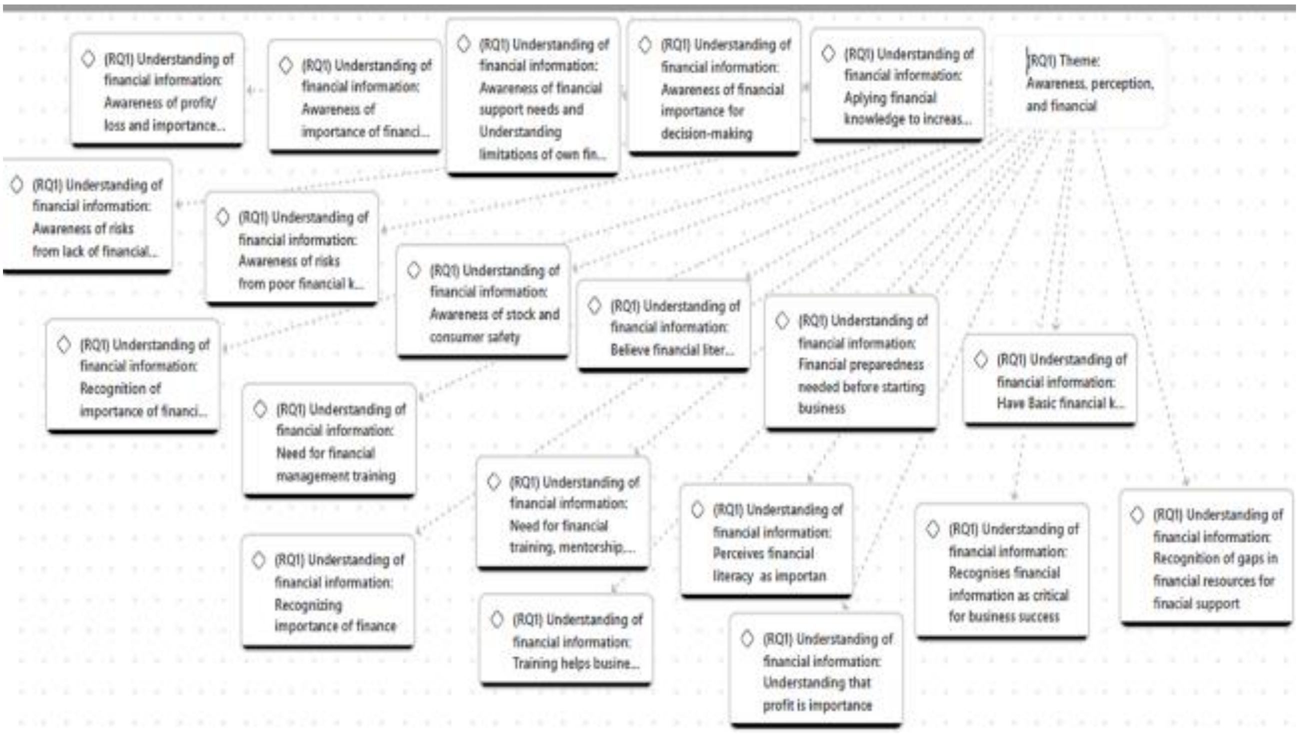
APPENDIX B: CROSS-REFERENCE OF RESEARCH QUESTION 1 AND THEMES

Research Question 1 examines how participants understand financial information. The theme awareness, perception, and financial understanding shows how participants identify and make sense of financial concepts. Formal financial knowledge refers to knowledge gained through courses, training, or structured instruction. Informal and experiential financial knowledge involves learning acquired through practical experience and interactions with others. The themes of record-keeping, monitoring, and practical skills illustrate how participants apply their financial understanding in everyday business activities.



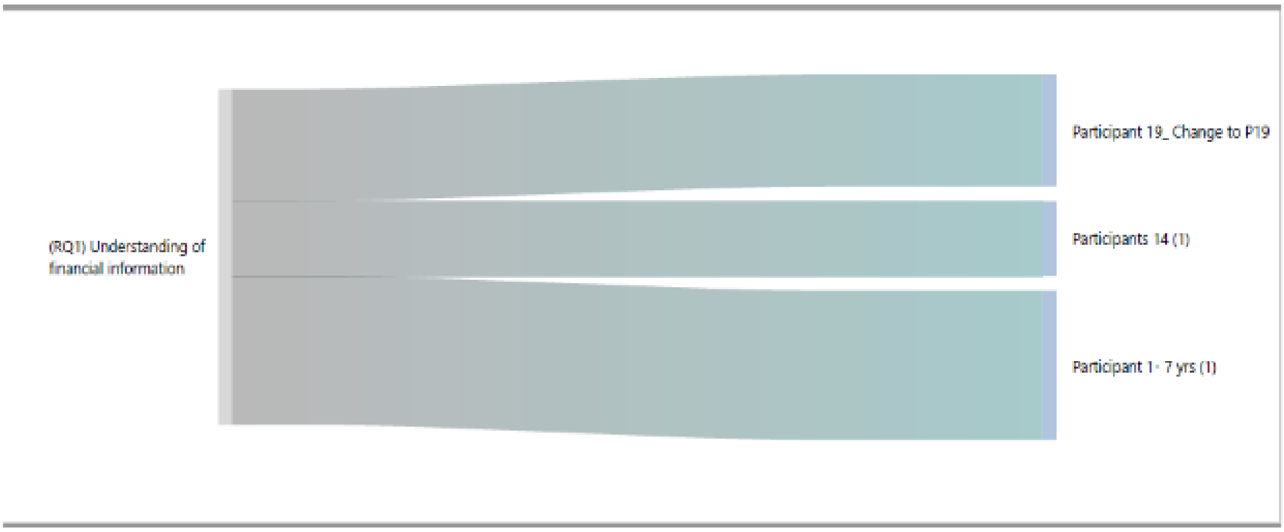
APPENDIX C: THEMES AND CODES FOR RESEARCH QUESTION 1

Research Question 1 looks at how participants grasp financial information. The themes and related codes reveal awareness of business-related ideas, including profit, risk, financial literacy, and readiness for running a business. They also show participants' views on the role of financial knowledge in decision-making and the availability of financial support. Together, these codes demonstrate how understanding of finances develops through both learned knowledge and practical experience.



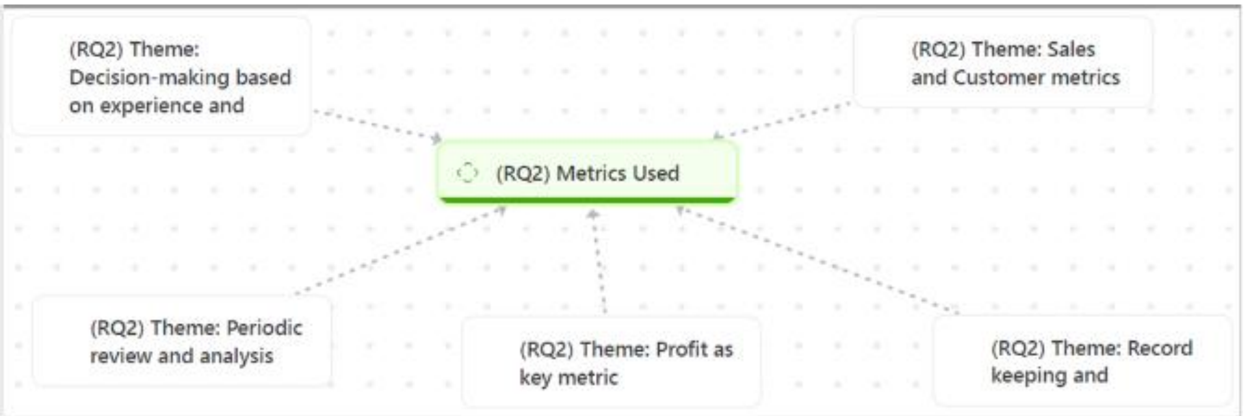
APPENDIX D: SANKEY DIAGRAM

The Sankey diagram shows how participants' responses relate to Research Question 1, which examines understanding of financial information. It maps how each participant's input connects to the research question and illustrates the spread and significance of their responses. This visual helps explain the thematic analysis by showing the level of participant engagement across the identified themes.



APPENDIX E: THEME RESEARCH QUESTION 3

Research Question 2 examines the measures used to guide organisational decisions. The findings indicate that sales, customer-related indicators, and profit are the main measures used to evaluate performance and inform decisions. These measures are usually reviewed periodically, with records kept to track changes over time. However, decisions are not based solely on these measures. Managers also rely on their experience and judgement, especially when interpreting data or when information is incomplete.

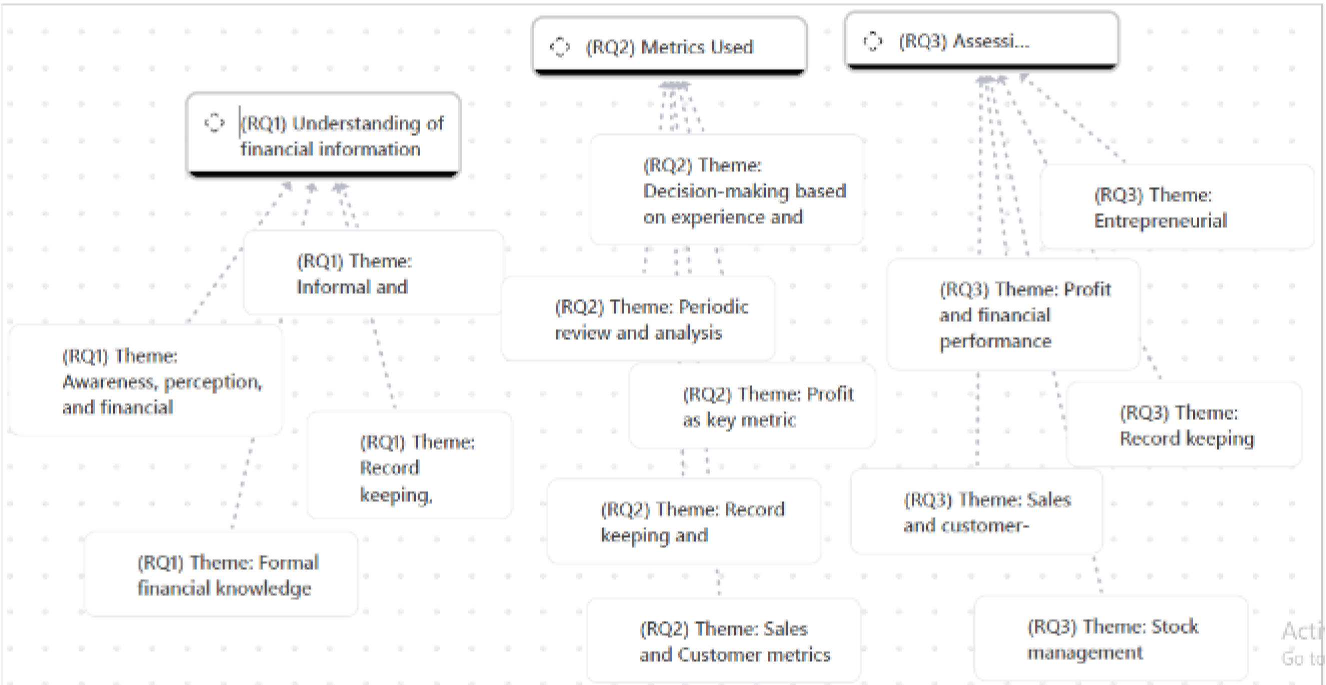


APPENDIX F ASSESSING PERFORMANCE

Research Question 3 examines how organisational performance is evaluated. The findings show that both financial and non-financial measures are used. Profit and other financial indicators are key to assessment, alongside sales, customer-related measures, and inventory management. Maintaining records helps track and review performance over time. Additionally, entrepreneurial motivation affects how performance is perceived, with personal goals and business ambitions influencing evaluations beyond formal metrics.

APPENDIX G: THREE RESEARCH QUESTIONS- THEMES

The findings from RQ1 to RQ3 indicate that financial understanding, decision-making, and performance evaluation are closely linked. Participants showed different levels of financial knowledge, supported by record keeping and learning from experience. Decisions were guided by measures such as sales, customer indicators, and profit, but personal experience had a strong influence. Performance evaluation combined financial results with operational factors, including inventory management and entrepreneurial motivation, reflecting a practical, experience-based approach rather than reliance on formal systems alone



APPENDIX H: SORTING OUTCOMES BY RESEARCH QUESTION

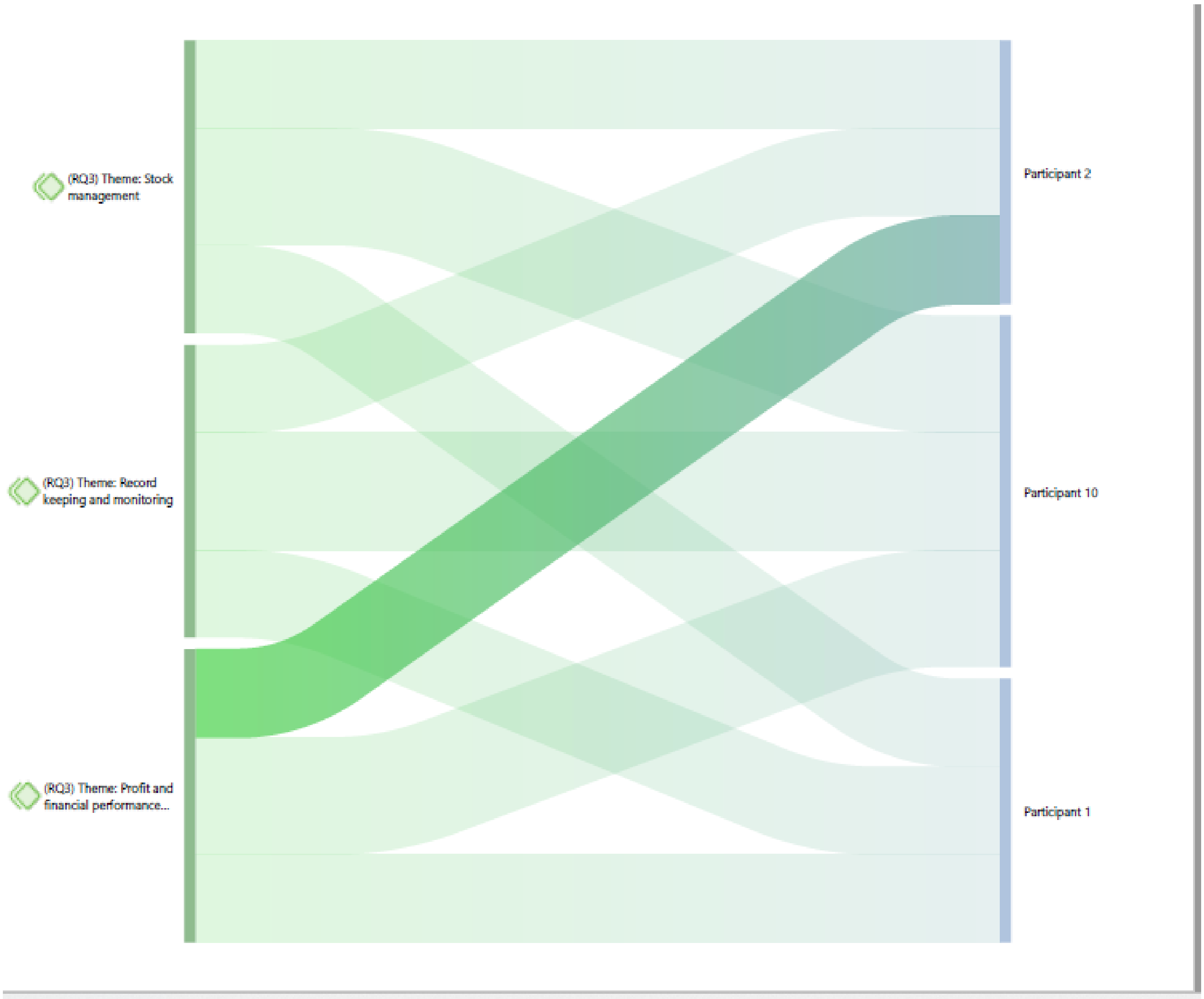
Sorting Outcome
Understanding of financial information
Formal Financial Knowledge and Training
Informal and Experiential Learning
Record Keeping, Monitoring, and Practical Skills
Awareness, Perceptions, and Financial Preparedness
Making sense of financial performance information
Profit as Key Metric
Sales and Customer Metrics
Record-Keeping and Documentation
Periodic Review and Analysis
Decision-Making Based on Experience and Market Information
Understanding and interpretation shaping decision making
Profit and Financial Performance Measures
Sales and Customer-Related Measures
Record-Keeping and Monitoring
Entrepreneurial Motivation
Stock Management

APPENDIX I: WORD CLOUD: ALL PARTICIPANTS DISCUSSION

The word cloud shows the main focus of the study by displaying the most frequently mentioned ideas. Words like financial, business, local shop, and information were particularly prominent, showing that participants often referred to financial matters in managing their shops. This indicates that discussions mainly focused on how business-related information is understood, applied, and used in daily financial decisions.

APPENDIX J: SANKEY VISUALISATION

The Sankey diagram shows how participants' responses to RQ3 connect to key themes, including stock management, record keeping, and profit performance. The links illustrate the distribution and strength of connections, highlighting practices emphasised by participants, such as accurate record keeping and monitoring. Stock management also appears frequently and intersects with other performance measures. Overall, the diagram visually represents how financial and operational practices are connected among local shop owners in Seshego Township.



APPENDIX K THEMES FROM RESEARCH QUESTION 1

The tables below show the themes, sub-themes, and sample participant quotes for RQ1 to RQ3. They support the main patterns in the findings and illustrate how participants' responses shaped each theme.

Illustrative Quotes Related to Themes and Codes

Main Theme: Understanding of financial information (RQ1)

Participants	Sub-Themes	Quotes
P1	Lack of formal accounting knowledge	*"No I don't have financial training."* P1:1
P1	Learning by observing family member	"*I learned from that time when my mother was selling"* P1:1
P1	Reliance on informal on informal mentorship	"*From people who are already past the stage that is in business"* P1:1
P1	Recognising the importance of finance	"*Financial knowledge is more important"* P1:2
P2	Having formal financial education	*"I have done finance as a course. I was treasury general. I was working with university funds and budget and other experience I could say its educational background"* P2:3

P2	Understanding profit and cash flow	*"I learned Financial management for example if you can have R2 profit, but learned that you can multiply and also the issue with debts and also that you must have cash in hand."* P2:3
P2	Awareness of stock and consumer safety	*"When you record things you can really see that some things are not moving from even the expiry dates. We keep the record of things that we buy so we can track expiry dates, because if we don't this can harm people"* P2:4
P3	Attended financial workshop	*"there was a workshop related to finance that I attended"* P3:1
P3	Participation in training	*"Yes I did attend a finance workshop training."* P3: 1
P3	Training helps business growth	*"It help us to grow our business."* P3:1
P3	Perceives financial information as important	*"they are very important"* P3:2
P3	Risk of poor pricing decisions without financial knowledge	*"I see, that could be the pricing"* P3:2
P3	Financial records guides decision	*it does give direction* P3:2
P3	Need for financial management training	*" I need Training on how to manage finances and savings"* P3:2

P3	In need of government –led training support	*“if they can come and give us training on how to manage our business finances.”* P3:3
P4	Prior knowledge supports financial decision making	*“The educational background that I have it help me to some of the profit regarding profit and so on and things such as income.”* P4:1
P4	Awareness of importance of financial knowledge	*“ If you don’t have knowledge regarding the knowledge you will not made profit so you will have to have knowledge to be able to run your Spaza shop”* P4:2
P4	Recognises financial information as critical for business success	*“financial information account for about 90 percent of the business, because most is about the money”* P4:3
P4	Need for financial training , mentorship and support	*“You need financially support and be monitored so you can be able to make profit”* P4:3
P4	Desire for structured financial and business training	*“A business is not all about losses , because you will also made losses so you must be trained to run the business as well”* P4:3
P5	Learning from prior business experience	*“from my current business”* P5:1
P5	Believe financial literacy is important	*“It is important”* P5:1

P5	Awareness of risk from poor financial knowledge	*"there will be shortages"* P5:2
P5	Financial preparedness needed before starting a business	*"some people must get a job to be able to save money to be able to start the Spaza shop, in case you don't have money."* P5:2
P5	Value of financial training	*"training is also important"* P5:2

APPENDIX L THEMES FROM RESEARCH QUESTION 2

Research Question 2 explores how local shop owners in Seshego Township interpret financial performance information to manage their businesses. Findings show that owners use basic measures like profit, sales, and customer activity to assess performance. Simple record-keeping and occasional reviews support this process, while decisions are also shaped by personal experience and market conditions.

Table Quotes Metrics used (RQ2)

Participants	Sub-Themes	Quotes
P3	Speed point record sales	*"We use the speed point"* P3:3
P3	Tracking sales with receipts	*"we also just keep receipts, like every day we record cash in and cash out."* P3:3
P3	Consolidation at month end	*"We put them for month end."* P3:3
P 4	Written record keeping	*I used the book to document?* P4:3
P 4	Daily recording of sales	"*I do on a daily basis, you need to record what you have made daily, you need to record what you do every day."* P4:3
P4	Monthly review	*I review once a month.* P4:3
P5	Customer decides stock decisions	"*I gather around from the people I see, and see what kind of products people need"* P5:1
P5	Using stock records to track progress	''every day we record and stocktaking *every week"* P:2
P5	Tracking losses and profits	"*it helps to check whether you are making a profit or not*" P5:2
P6	Profit as a main metric	*"I check profit"* P6:2
P6	Document financial information	" *I document financial documents"* P6:2

P7	Tracking costs and profit	*"you cannot run your business without not having profit, us we record every day after selling"* P7:2
P7	Use Spreadsheet fir record keeping	"*we record every day on the spreadsheet"* P7:2
P7	Using market price information to guide purchasing decisions	"*you must always check specials around"* P7:3

Research Question 3 examines how local shop owners in Seshego Township use their understanding of financial information to guide business decisions. Participants draw on their knowledge of financial outcomes to make choices about pricing, stock, and daily operations. Instead of relying only on formal performance measures, owners use personal judgement and financial awareness to assess business performance and decide on adjustments.

APPENDIX M THEMES FROM RESEARCH QUESTION 3

Quotes Assessing performance (RQ3)

Participants	Sub-Theme	Quotes
P8	Job creation as a business goal	*"Reasons are for me to create jobs for me and for other people and help people to get food it's not far but close"* P8:1
P10	Unemployment as a motivation	"*there is no work and even school I was unable to finish school."* P10:1
P10	Monitoring stock spillage	*"fruits such as pears and tomatoes get rotten fast. They make losses"* P10:1
P10	Profit or loses assessed based on profit	*I just stock and see if I get profit or not* P10:1
P10	Weekly tracking of sales	*I check the diary every Fridays because I stock every Saturdays.* P10:2
P14	Customer sales fluctuations	*"The problems we come across in business is that some days customers don't buy enough as compared to other days".* P14:1
P14	Spending the profit in the household	*"It is difficult when you work from hand to mouth."* P14:1
P14	Financial literacy is needed for improvement	*"Financial literacy is important. If they can train us, we can improve and know expenditure we can improve and go far"* P14:1
P15	Household financial contribution as measure	*"I see that if I can do something, things could be better in the house."* P15:1

P15	Sales fluctuations used as a performance indicator	*“Like every business sometimes it flourishes sometimes not”* P15:1
P15	Awareness of importance of being financial literate	*“I need financial and knowledge on how to run the business”* P15:1
P16	Weekly profit used for stock planning	“*at the end of the week I also review to check how much I have to be able to stock again on weekends.”* P16:1
P17	Profit/loss as performance measure	*“we write down and see what we have made from the costs.”* P17:1
P17	Frequency of book review as monitoring measure	*“we reviewed the books twice A week.”* P17:1
P17	Physical infrastructure as growth constraint	*“I need a big shade because where I sell I I have a small space.”* P17:1
P17	Financial support needed for growth	*“ I need financial assistance”* P17:2
P18	Daily financial assessment as performance measure	*“ I calculated every day and worked my things”* P18:2
P18	Profit and stock as performance measure	*“I check only how we make for the day. What is profit and the stock that is needed”* P18:2
P19	Customer satisfaction – feedback as business indicator	*“Customers tell me what they want”* P19:2
P19	Profit/loss as key performance measure	*“I just look on how much I spend and the profit. I just look how much I bought what and how much I got from the product”* P19:2

P19	Desire for external training as growth measure	*"According to me Spaza shop owners like me, should train us in will workshop"* P19:2
P20	Credit management awareness affecting business sustainability	*"If that customer doesn't come back and pay, you will fall out because the money is not even enough to sustain the business: I have seen that giving customers credit is the problem."* P20:1
P20	Profit and loss as performance measure	*"I write down and review all products to check the commission and check where I loose and gain profit. So I can't record my profit. If I don't record financial information I will end up eating my profit"* P20:2
P20	Financial support as a growth strategy	*"I need help with financial assistance, so I can be able to grow my business and be able to reach where I want to go"* P20:2

These questions and themes show how local shop owners in Seshego Township use financial information in daily operations.

APPENDIX N: INTERVIEW GUIDE

Constructs	Interview Questions
Background	• Please tell me how and when did you start the Spaza shop? • What factors or reasons inspired you to start your Spaza shop? • What difficulties or obstacles are you encountering in managing your Spaza shop?
Financial education	• Please tell me about your financial education background or previous experience in financial literacy you have? • Please tell me about the training you attended relating to entrepreneurship or financial management training specifically related to operating a Spaza shop.
Financial Information	• To what extent does your educational background impact your ability to prepare financial information for your spaza shop? • What methods or sources do you rely on to gather financial information for your spaza shop? • How much emphasis do you place on the financial aspects of running your spaza shop? • In your opinion what are the drawbacks of not possessing financial knowledge when operating a Spaza shop?

<u>Record keeping</u>	• What specific types of financial information do you document in your records for the Spaza Shop? • How frequently do you engage in the preparation of these records for your Spaza Shop? • How often do you review and assess the accounting records you have maintained for your Spaza Shop?
<u>Decision making</u>	• How do you use information recorded in the accounting records for decision-making? • Please explain how financial information influences the decisions you make for your business? • In your opinion, what kind of support or assistance do Spaza shop owners need in order to understand and prepare financial information for effective decision-making?

APPENDIX O: INFORMED CONSENT

UNISA university of south africa

PARTICIPANT INFORMATION SHEET

Ethics clearance reference number:
Research permission reference number:

8 June 2023

Title: Owners' understanding of financial information used in the decision-making of managing Spaza Shops in the Seshego Township and surrounding areas.

Dear Prospective Participant

My name is SP Mogano, and I am carrying out research under the supervision of Mr. RK Nzhinga, a senior lecturer in the Department of Management Accounting towards a Master of Philosophy degree at the University of South Africa. We are inviting you to participate in a study entitled: **Owners' understanding of financial information used in the decisions making of managing Spaza Shops in the Seshego Township and Surrounding areas.**

WHAT IS THE PURPOSE OF THE STUDY?

I am conducting this research to expand the knowledge base and to determine the extent to which the owners of Spaza shops around Seshego Township understand the financial information used for decision-making. The study aims to identify the business skills needed to run the Spaza shops and suggest ways to obtain such skills.

WHY AM I BEING INVITED TO PARTICIPATE?

You were chosen because of your knowledge of running a Spaza shop, that is based in around Seshego Township. Respondents who are interested in participating will be contacted by visitation or telephone by the researcher explaining the research and what type of business is needed to participate.

University of South Africa
Preller Street, Muckleneuk Ridge, City of Tshwane
PO Box 392 UNISA 0003 South Africa
Telephone: +27 12 429 3111 Facsimile: +27 12 429 4150
www.unisa.ac.za

WHAT IS THE NATURE OF MY PARTICIPATION IN THIS STUDY?

Your role in this study is to express your opinions and feelings and to answer the interview questions to the best of your knowledge. The interview will take about 30 to 45 minutes and will be recorded.

CAN I WITHDRAW FROM THIS STUDY EVEN AFTER HAVING AGREED TO PARTICIPATE?

Participating in this study is voluntary and you are under no obligation to consent to participation. If you do decide to take part, you will be given this information sheet to keep and be asked to sign a written consent form. You are free to withdraw at any time and without giving a reason.

WHAT ARE THE POTENTIAL BENEFITS OF TAKING PART IN THIS STUDY?

The benefit of the study is that information will be gained into what skills are required towards improving capabilities in analyse financial information, which will lead to better business decisions.

ARE THERE ANY NEGATIVE CONSEQUENCES FOR ME IF I PARTICIPATE IN THE RESEARCH PROJECT?

There will be very little risk for you. The risk will be reduced by anonymity when the research data is collected.
Participants names will not be used, and anonymity will be guaranteed. Research processes that could potentially reveal the identity of the interview will be redacted. Interviews will be recorded using a voice recorder to provide evidence of the conversations. It is essential to voice-record the interviews to have accurate records of data.

WILL THE INFORMATION THAT I CONVEY TO THE RESEARCHER AND MY IDENTITY BE KEPT CONFIDENTIAL?

Your answers will be given a pseudonym and you will be referred to in this way in the data, any publications, or other research reporting methods such as conference proceedings.

Your answers may be reviewed by people responsible for making sure that research is done properly, including the transcriber and members of the Research Ethics Review Committee. Otherwise, records that identify you will be available only to people working on the study, unless you give permission for other people to see the records.

HOW WILL THE RESEARCHER(S) PROTECT THE SECURITY OF DATA?

Hard copies of your answers will be stored by the researcher for a period of five years in a locked cabinet in a secure building. For future research or academic purposes, electronic information will be stored on a password-protected computer. Future use of the stored data will be subject to further Research Ethics Review and approval if applicable. The researcher will erase electronic files containing personal data so that the information cannot be read or reconstructed, after 10 years.

WILL I RECEIVE PAYMENT OR ANY INCENTIVES FOR PARTICIPATING IN THIS STUDY?

Participation is completely voluntary without incentives. Participants will not incur costs, penalty or loss of benefit for non-participation.

HAS THE STUDY RECEIVED ETHICS APPROVAL

This study has received written approval from the Research Ethics Review Committee of the College of Accounting Science, Unisa. A copy of the approval letter can be obtained from the researcher if you wish to do so.

HOW WILL I BE INFORMED OF THE FINDINGS/RESULTS OF THE RESEARCH?

If you would like to be informed of the final research findings, please contact Ms. SP Mogano on 012 429 2051 or email moganopatricia2@gmail.The request for the final version of the research report will be available upon request.

Should you require any further information or want to contact the researcher about any aspect of this study, please contact Ms. SP Mogano, moganopatricia2@gmail.com, 012 429 2051.

Should you have concerns about the way in which the research has been conducted, you may contact Mr. RK Nzhinga, nzhinrk@unisa.ac.za, 012 429 8961. Contact the research ethics committee, chairperson if you have any ethical concerns, Prof MA Antwi, antwima@unisa.ac.za.

Thank you for taking time to read this information sheet and for participating in this study.

SP Mogano

University of South Africa
Preller Street, Muckleneuk Ridge, City of Tshwane
PO Box 392 UNISA 0003 South Africa
Telephone: +27 12 429 3111 Facsimile: +27 12 429 4150
www.unisa.ac.za

CONSENT TO PARTICIPATE IN THIS STUDY

I, __________________ (participant name), confirm that the person asking my consent to take part in this research has told me about the nature, procedure, potential benefits and anticipated inconvenience of participation.

I have read (or had explained to me) and understood the study as explained in the information sheet.

I have had sufficient opportunity to ask questions and am prepared to participate in the study.

I understand that my participation is voluntary and that I am free to withdraw at any time without penalty (if applicable).

I am aware that the findings of this study will be processed into a research report, journal publications and/or conference proceedings, but that my participation will be kept confidential unless otherwise specified.

I agree to the recording ....

I have received a signed copy of the informed consent agreement.

Participant Name & Surname...

Participant Signature..Date.....................

Researcher's Name & Surname   S P Mogano

Researcher's signature...Date.......

University of South Africa
Preller Street, Muckleneuk Ridge, City of Tshwane
PO Box 392 UNISA 0003 South Africa
Telephone: +27 12 429 3111 Facsimile: +27 12 429 4150
www.unisa.ac.za

APPENDIX P: WORD FREQUENCY MAP

The diagram shows the most common words in the data, highlighting key themes from participants' responses.

APPENDIX Q: EDITOR'S DECLARATION

l 'Avenir Consulting

Monica Botha
T/a l'Avenir Consulting
Postnet Suite 043
Private Bag X9
QUEENSWOOD
0121

Cellular: 083 269 0757
E-mail: monicabo@lantic.net

TO WHOM IT MAY CONCERN

This serves to confirm that I have edited and proofread the dissertation entitled

OWNER'S UNDERSTANDING OF FINANCIAL INFORMATION USED IN THE DECISION-MAKING OF MANAGINGSPAZA SHOPS IN THE SESHEGO TOWNSHIP AND SURROUNDING AREAS

prepared by Ms Sewela Patricia Mogano, submitted in accordance with f the requirements for the degree Master of Philosophy in Accounting Sciences at the University of South Africa, according to the specifications of the University, where available, and the latest standards for language editing and technical (computer-based) layout.

Editing was restricted to language usage and spelling, consistency, formatting and the style of referencing. No structural writing of any content was undertaken.

As an editor I am not responsible for detecting any content that may constitute plagiarism.

To the best of my knowledge, all references have been provided in the prescribed format.

I am not accountable for any changes made to this dissertation by the author or any other party after the date of my edit.

Electronically signed (actual signature withheld for security reasons)

MONICA BOTHA
25 February 2026

Sole Proprietor: Monica Botha

Business Planning Corporate Systems Engineering Corporate Document Standards
Business and Academic Document Technical and Language Editing

APPENDIX R: TURNITIN REPORT

PAPER NAME	AUTHOR
Patricia Mogano dissertation 24 February 2026 %282026-02-25 MB rev 2%29.docx	SEWELA PATRICIA MOGANO

WORD COUNT 34769 Words	CHARACTER COUNT 213863 Characters
PAGE COUNT 156 Pages	FILE SIZE 1.7MB
SUBMISSION DATE Feb 26, 2026 2:30 PM GMT+2	REPORT DATE Feb 26, 2026 2:33 PM GMT+2

21% Overall Similarity

The combined total of all matches, including overlapping sources, for each database.

- 14% Internet database
- 16% Publications database
- Crossref database
- Crossref Posted Content database
- 17% Submitted Works database

Excluded from Similarity Report

- Manually excluded sources