

THE FACTORS INFLUENCING BUSINESS SUSTAINABILITY OF FOOD TRUCK ENTREPRENEURS: A CASE OF NELSON MANDELA BAY, SOUTH AFRICA

Francois Loots^A, Chux Gervase Iwu^B, Frank Makoza^C



ARTICLE INFO	ABSTRACT
Article history: Received: January, 29 th 2024 Accepted: April, 03 rd 2024	Purpose: Within the Nelson Mandela Bay Metropolitan Municipality in South Africa, no record of factors that inhibit the successful pursuit of the food truck business exists. This study closes this gap, as its chief goal was to ascertain the factors influencing the sustainability of food truck entrepreneurs in Nelson Mandela Bay (NMB).
Keywords: Food Truck Entrepreneurs; Business Sustainability; Entrepreneurship; Nelson Mandela Bay.	Theoretical Framework: The study used a conceptual framework developed from previous studies on factors that affect food truck entrepreneurs and business sustainability.
	Design/Methodology/Approach: Data for the study was collected through semi-structured interviews with seven food truck entrepreneurs from NMB. The data was analysed using thematic analysis.
	Findings: Reviewing the factors that have been highlighted in this study, it is evident that several factors are most important for a food truck business to remain sustainable and profitable. It was established that both internal and external factors play an important role in the success of a food truck business. A framework that highlights the factors influencing a food truck business in NMB has been created for ease of use by entrepreneurs in the food truck industry.
	Research, Practical & Social Implications: Prospective and current practitioners in the field can predict the long-term success of their endeavours by understanding the factors. The framework can also be used by metro officials and local governments to determine where support might be needed to promote and support entrepreneurs in their business ventures by reviewing policies and regulations.
	Originality/Value: Improved regulations could help food truck owners grow their businesses, employ more people, and upskill others.
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^A MBA in Entrepreneurship. Department of Entrepreneurship and Business Management, Cape Peninsula University of Technology. Western Cape Province, South Africa.

E-mail: nloots@varsitycollege.co.za Orcid: <https://orcid.org/0009-0005-4265-2159>

^B Doctor in Human Resources Management. Department of Management and Entrepreneurship, University of Western Cape. Western Cape Province, South Africa.

E-mail: cgiwu@uwc.ac.za Orcid: <https://orcid.org/0000-0002-6290-9864>

^C PhD in Information Systems. Department of Entrepreneurship and Business Management, Cape Peninsula University of Technology. Western Cape Province, South Africa.

E-mail: makoza@cpup.ac.za Orcid: <https://orcid.org/0000-0002-5818-3810>

OS FATORES QUE INFLUENCIAM A SUSTENTABILIDADE DOS NEGÓCIOS DOS EMPREENDEDORES DE FOOD TRUCKS: UM CASO DA BAÍA DE NELSON MANDELA, ÁFRICA DO SUL

RESUMO

Objetivo: No município metropolitano de Nelson Mandela Bay, na África do Sul, não há registro de fatores que inibam a busca bem-sucedida do negócio de food trucks. Este estudo preenche essa lacuna, pois seu principal objetivo foi verificar os fatores que influenciam a sustentabilidade dos empreendedores de food trucks em Nelson Mandela Bay (NMB).

Estrutura Teórica: O estudo usou uma estrutura conceitual desenvolvida a partir de estudos anteriores sobre fatores que afetam os empreendedores de food trucks e a sustentabilidade dos negócios.

Projeto/Metodologia/Abordagem: Os dados para o estudo foram coletados por meio de entrevistas semiestruturadas com sete empresários de food trucks da NMB. Os dados foram analisados por meio de análise temática.

Conclusões: Analisando os fatores que foram destacados neste estudo, fica evidente que vários fatores são mais importantes para que um negócio de food truck permaneça sustentável e lucrativo. Foi estabelecido que os fatores internos e externos desempenham um papel importante no sucesso de uma empresa de food truck. Uma estrutura que destaca os fatores que influenciam um negócio de food truck no NMB foi criada para facilitar o uso por empreendedores no setor de food truck.

Implicações Sociais, Práticas e de Pesquisa: Os futuros e atuais profissionais da área podem prever o sucesso de longo prazo de seus empreendimentos compreendendo os fatores. A estrutura também pode ser usada por autoridades metropolitanas e governos locais para determinar onde o apoio pode ser necessário para promover e apoiar os empreendedores em seus empreendimentos comerciais por meio da revisão de políticas e regulamentações.

Originalidade/Valor: O aprimoramento das regulamentações poderia ajudar os proprietários de food trucks a expandir seus negócios, empregar mais pessoas e melhorar a qualificação de outras.

Palavras-chave: Empreendedores de Food Trucks, Sustentabilidade Empresarial, Empreendedorismo, Baía de Nelson Mandela.

FACTORES QUE INFLUYEN EN LA SOSTENIBILIDAD EMPRESARIAL DE LOS EMPRENDEDORES DE FOOD TRUCKS: A CASE OF NELSON MANDELA BAY, SOUTH AFRICA

RESUMEN

Propósito: En el municipio metropolitano de Nelson Mandela Bay, en Sudáfrica, no existe ningún registro de los factores que inhiben el éxito del negocio de los camiones de comida. El presente estudio viene a colmar esta laguna, ya que su objetivo principal era determinar los factores que influyen en la sostenibilidad de los empresarios de food trucks en Nelson Mandela Bay (NMB).

Marco Teórico: El estudio utilizó un marco conceptual desarrollado a partir de estudios anteriores sobre los factores que afectan a los empresarios de food trucks y a la sostenibilidad de los negocios.

Diseño/Metodología/Enfoque: Los datos para el estudio se recogieron mediante entrevistas semiestructuradas con siete empresarios de camiones de comida de NMB. Los datos se analizaron mediante análisis temático.

Resultados: Revisando los factores que se han destacado en este estudio, es evidente que varios factores son los más importantes para que un negocio de food trucks siga siendo sostenible y rentable. Se ha establecido que tanto los factores internos como los externos desempeñan un papel importante en el éxito de un negocio de camiones de comida. Se ha creado un marco que destaca los factores que influyen en un negocio de camiones de comida en NMB para facilitar su uso por parte de los empresarios del sector de los camiones de comida.

Investigación e Implicaciones Prácticas y Sociales: Los futuros y actuales profesionales del sector pueden predecir el éxito a largo plazo de sus iniciativas mediante la comprensión de los factores. El marco también puede ser utilizado por las autoridades metropolitanas y los gobiernos locales para determinar dónde podría ser necesario el apoyo para promover y apoyar a los empresarios en sus iniciativas empresariales mediante la revisión de las políticas y reglamentos.

Originalidad/Valor: La mejora de la normativa podría ayudar a los propietarios de camiones de comida a hacer crecer sus negocios, emplear a más personas y mejorar la cualificación de otras.

Palabras clave: Empresarios de Camiones de Comida, Sostenibilidad Empresarial, Espíritu Empresarial, Bahía de Nelson Mandela.

1 INTRODUCTION

Food trucks are defined as large vehicles that are equipped for the preparation and sale of food (Petersen, 2014). Erb (2014, p. 31) describes a food truck as a vehicle with a full-service kitchen where *"food is cooked, prepared, and served for individual portion service."* The food truck industry around the world has increased in popularity over the years. In the United States of America, food trucks have managed to influence the social, cultural, and economic prospects of both vendors and food enthusiasts (Cardoso et al., 2014; Thomas, 2016). Entrepreneurs and chefs in a number of emerging countries have started food truck businesses, mainly due to the low capital requirements (Cardoso et al., 2014).

In South Africa, food trucks became a rising trend towards the latter part of 2013 as food entrepreneurs believed them to be a practical solution to meeting the demand for high-quality, inexpensive fast food (Govender-Ypma, 2014). However, food trucks are confronted with challenges. The biggest challenge for food truck entrepreneurs, according to Ideris et al. (2017), is to constantly attract customers and ensure the sustainability of the business. Ishak et al. (2018) found that food truck owners in Malaysia are constantly confronted with new regulations, mainly due to the economic concerns of the various municipalities within the country and pressure from restaurateurs. Barriers in the business environment force food truck entrepreneurs to remain inventive in their marketing attempts in order to ensure sustainability. While there are growing studies conducted elsewhere on the challenges of the food truck industry (Erb, 2014; Hawk, 2013; Ideris et al. 2017; Strand, 2015), there is still limited understanding of the factors that influence food truck entrepreneurs in South Africa.

This study seeks to investigate the factors that food truck entrepreneurs believe influence the sustainability of their businesses using the case of Nelson Mandela Bay (NMB) in South Africa. Despite the increasing popularity of the food truck industry in NMB, there is limited understanding of factors that influence the sustainability of a food truck business in the metro. Entrepreneurs are unable to predict the long-term success of their endeavours due to the lack of studies on the sustainability of food truck businesses. The study was guided by the research question:

- What are the perceptions of food truck entrepreneurs on the factors influencing the sustainability of their businesses?

To answer this research question, the study investigated the motivations for starting a food truck business; and factors that food truck entrepreneurs in NMB considered to ensure a

sustainable business. The factors explored in this study include awareness of the business, a business strategy, entrepreneurial and operational skills, the regulations to operate the business, and marketing and financial resources (Truong, 2019). Understanding these factors was important to provide a better knowledge of the contribution that the food truck industry makes to NMB and its economy.

The rest of the paper is presented as follows. A review of literature pertaining to the history of food trucks, their benefits and challenges, and the impact of food trucks on a city will be followed by an overview of the factors that influence food truck businesses. The research methodology is also explained followed by the research findings and discussion.

2 LITERATURE REVIEW

2.1 FOOD TRUCK ENTREPRENEURSHIP

The food truck idea was started around 1872 in the United States of America by a farmer named Charles Goodnight, who served food from a vehicle referred to as a "chuck wagon" to travellers in Texas (Hawk, 2013). It is believed that Walter Scott started the trend by transporting meals to customers on a wagon pulled by horses (Munoz, 2019). The wagon has the closest resemblance to the modern-day food truck as it had openings on each side to serve the customers, and it had space to store kitchen supplies and utensils (Hawk, 2013). Since the early 1960s, many city dwellers in the United States have enjoyed food vendors selling popular comfort foods like tacos, hot dogs, and ice cream from mobile trucks (McGinnis, 2012; Strand, 2015).

Food truck businesses in the twenty-first century have proven to be a fast-growing industry that allows creative chefs with an entrepreneurial flair to succeed and grow their food ventures (Kukic, 2013). According to Erb (2014), the popularity of food trucks in the United States is due to the many gourmet chefs who would like to open their own restaurants but cannot afford the risks and costs of a brick-and-mortar restaurant. Esparza, Walker and Rossman (2014) found that the start of the gourmet food truck industry in the USA can be traced back to 2008 when the economy weakened and consumers cut back on dining out, which led to unemployment for many chefs. Realising the opportunities, the gourmet food truck model idea was born due to entrepreneurial chefs who redesigned the use of basic food trucks and created exciting cuisine.

In South Africa, Cape Town was the first city in South Africa to start the trend of upmarket food trucks in 2012, by Chef Luca Castiglione (Roberts, 2017). The convenience of a food truck was being able to go to a place where people are and operate in a different location every day. There will always be a place for the boerewors roll and potato snack stands in the city. Gourmet food trucks bring new life to ordinary street food (Mahlangu, 2019; Roberts, 2017). Mann (2016) emphasises the opportunity for food truck entrepreneurs in South Africa. The country is so diverse and has so many cultural dietary requirements, such as Kosher or Halaal food. Mahlangu (2019) found that in Gauteng, the majority of food truck entrepreneurs started their businesses out of a need to pursue independence, the desire to be self-employed, or simply to follow a passion.

2.2 BENEFITS AND CHALLENGES OF FOOD TRUCK ENTREPRENEURSHIP

Food truck entrepreneurship can provide economic, social and cultural benefits. Petersen (2014) states that food truck businesses have the ability to create many benefits within a city due to their positive social and informal nature. Kukic (2013) agrees that food truck businesses contribute important cultural, social, and economic benefits to the success of a city. It is therefore important for municipal regulations to reflect and support food truck businesses in order to not restrict the cultural purpose of street vending in society (Kukic, 2013).

According to SME South Africa (2021), food trucks are listed as part of the broader food and beverage sector in the country. The fast food sector, in particular, is a large contributor to the constant expansion of the industry. In May 2019, the industry showed a growth of 2.9% from the previous year. Sales in the fast food sector have grown by 7.5% in comparison to 2018 and are a good indicator of why the industry is showing growth (SME South Africa, 2021).

Eldridge (2015) points out the important benefits of food truck businesses in communities. One of the most significant advantages is "the ability to add social vitality to the streetscape and underutilized spaces within a city." Food trucks are able to bring enjoyment and life to dull areas where other corporate businesses are unable to. Petersen (2014) agrees that food trucks can expand social benefits by creating a space for good food and interaction across a range of open places within a city. There is motivation among consumers to support local businesses. Food vendors have the ability to meet the need and build a sense of community (Petersen, 2014).

Food trucks have added to the togetherness and enjoyment of food, especially when the trucks are parked at food parks or markets (de Souza Bispo & Almeida, 2020). According to Erb (2014), the gathering of food trucks in one area easily transforms urban social events in a city. Overall, these studies highlight the social benefit that food trucks are able to bring to a community. It can therefore be argued as one of the many reasons why food trucks are able to bring people and communities together and have a positive impact on a city. Street food culture in South Africa is very popular and has a long history, especially within the informal settlements of the country (Hill et al., 2019). Food trucks do not form part of the formal business structure of the country, but they have seen steady growth and interest among entrepreneurs and consumers over the past few years (Mahlangu, 2019). Some of the key trends that are driving the growth of food truck businesses in South Africa include the long working hours of consumers who do not have time to cook every day and need to source alternative meals.

While there are benefits of food truck entrepreneurship, there are also challenges that confront food truck entrepreneurs leading to business sustainability and failure. Eldridge (2015) and Erb (2014) noted the problems of oversaturated streets and limited city infrastructure, which affect the food truck industry. Further, the high cost of resources required to maintain public spaces (e.g., walkways, gardens, and parks) may lead to high operating fees for food truck businesses in a city. Steyn (2020) reported that food truck entrepreneurs struggle to survive in the context of South Africa because most of the public areas are classified for agriculture and commercial activities are prohibited. This leaves food truck entrepreneurs with limited options for spaces to operate their businesses. Another problem is the high cost of operating fees (Foong, 2018). Food truck entrepreneurs pay high vending fees in NMB in spaces designated for commercial activities. The high vending fees force some food truck entrepreneurs to move away from more ideal and profitable locations (Foong, 2018).

Food truck entrepreneurs are not properly recognised as a business classified under food and hospitality, e.g., in Cape Town (Steyn, 2020). Lack of classification means that they are not included in the city's bylaws. This makes it difficult to register food truck businesses as formal businesses, and the registration process takes a long time, which discourages new business owners (Eldridge, 2015). Food truck businesses require food health and safety standards to guarantee the safety of customers. Petersen (2014) reported the challenges of a lack of water in the spaces where food trucks operate, which makes it difficult to maintain the food's health and safety and puts customers at health risks. Another challenge is inadequate facilities for waste management in the spaces where food truck entrepreneurs operate (Truong, 2019).

In brief, food truck entrepreneurship can support the job creation drive of government and municipalities, create income opportunities, and promote skills development and culture in South Africa (de Souza Bispo & Almeida, 2020; Mahlangu, 2019; Peterson, 2014). The benefits highlighted in the review can be seen in light of social, economic, and cultural benefits. While there are advantages to running a food truck business, the review above uncovered issues that can jeopardize their sustainability (i.e., the responsible and effective use of resources so that a business can economically operate to produce an operational profit (Circular Ecology, 2021). Despite the challenges highlighted in previous studies conducted elsewhere, the study argues for a more in-depth understanding of the factors influencing the sustainability of food trucks in the context of South Africa. The country has unique social, economic, and political context because of its apartheid heritage, which affects the activities and processes in the entrepreneurial ecosystem (Beresford, 2020; Esau & Tenengeh, 2022; Rogerson, 2013).

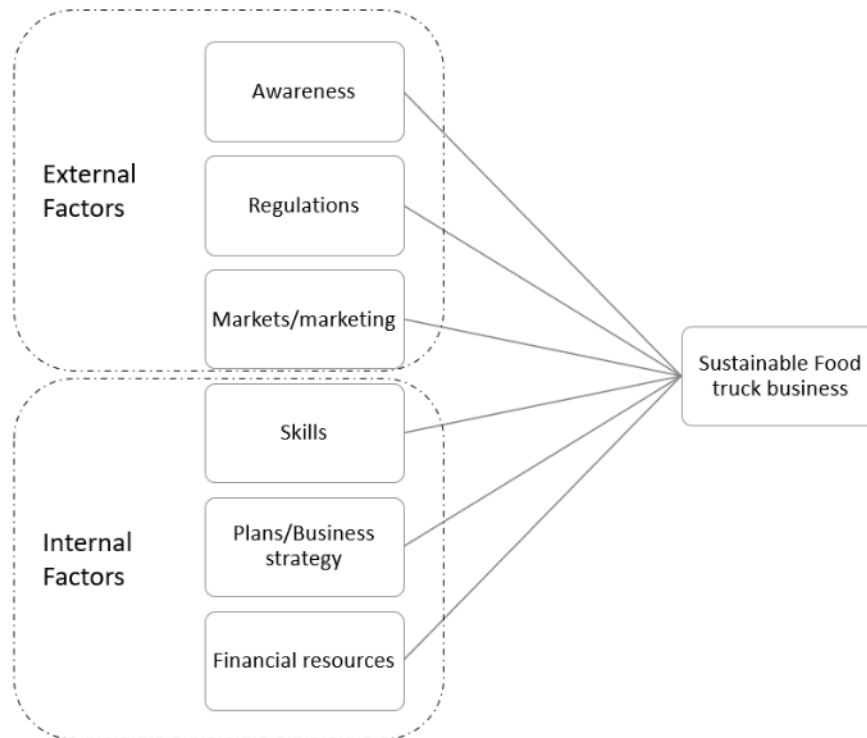
2.3 THEORETICAL PERSPECTIVE TO THE STUDY

Understanding factors that contribute to the success or business sustainability of a food truck business can be explained using the resource-based view (RBV) theory (Barney, 1991). RBV suggests that organisations have resources that are rare, valuable, and unique that can be used to achieve competitive advantage. The resources include physical assets, human resources, organisational assets and competencies (Kellermanns et al., 2016). Business organisations can use these resources in operations to support reconfiguration, integration and use of resources, and cope with changes in the market. These features resonate with entrepreneurship which focuses on the ability to continually renew, innovate and take risk in the targeted market and operation environment (Henri, 2006; Kellermanns et al., 2016). However, scholars have noted that RBV has some limitations when looking at entrepreneurship. Majid et al. (2022) argue that RBV theory is suitable for analysing and evaluating organisation's internal resources and capabilities but ignores the external business environment. Priem and Butler (2001) offer a similar position. Ajitabh and Momaya (2004) also highlighted that RBV theory ignores market position of the organisation and does not focus on customers and concludes that the theory can not guide organisations to integrate competitiveness with strategy. Kellermanns et al. (2016) noted that RBV focuses more on large and well-established organisations strategies and is not ideal for a small organisation that is in the start-up phase. Considering these limitations, a conceptual framework from the literature was developed to describe the internal and external

factors of food truck entrepreneurs. Figure 1 below summarises the factors indicating internal and external contributing towards a sustainable food truck business.

Figure 1

Conceptual framework



Source: Prepared by the authors (2023).

Several studies have been conducted on factors that affect food truck entrepreneurs. Strand (2015) proposes that there is a strong link between the direct involvement of the owner and having an experienced chef or the owner being the chef. McGinnis (2012) suggests the importance of marketing the food truck business and highlighted three important factors: the triple bottom line of social, environmental, and economic elements for the growth of the business and in order to continually attract customers. Truong (2019) highlights five factors for the success of food truck business, and they include business strategy, skilled staff, awareness of the regulations, marketing, and finance. Worku (2013) noted some socioeconomic factors that are crucial for business survival namely a shortage in skills required by entrepreneurs, the lack of guidance provided to new business owners and the lack of relevant operational skills. Myrick (2018) suggests that funding is one of the major barriers to starting a food truck business. DiPietro (2016) suggests six factors that are important for the success of food truck

business. They include operations, marketing, and quality of service, finance, innovation and hygiene. Mahlangu (2019) reported that passion and the need to be independent were important among food truck entrepreneurs in Gauteng. Baa (2022) and Majid et al. (2022) highlight the importance of implementing a business plan that will provide a competitive advantage over a long period of time to ensure sustainability. In this context, a sustainable business refers to a longstanding or continuous operation. Being profitable refers to making money and being able to cover expenses, overheads and costs without overspending or losing money. Luu et al. (2015) explain that for a food truck business to be sustainable, it has to ensure that it remains aware of its revenue and profits. Fahlevi et al. (2019) view a sustainable food truck business as one with long-lasting success.

Reviewing the aspects that have been found in previous research, the key assumption is that factors are not viewed from internal and external in terms of how they contribute towards a sustainable food truck business. The various points mentioned above will be used towards a conceptual framework. We draw from closely related studies (DiPietro, 2016; Truong, 2019) as a starting point to inform the proposed conceptual framework guiding the study. Other reviewed studies (e.g. Fahlevi et al., 2019; McGinnis, 2012; Mahlangu, 2019; Strand, 2015; Worku, 2013) were also useful in identifying areas that were missing in the closely related studies. The constructs to be considered include entrepreneurial skills, marketing (social, environmental, and economic), short-term and long-term business plans, policy and regulations, awareness of the industry and finances. The question remains that even if the food truck businesses in NMB implement the factors as mentioned from previous research would it guarantee a sustained, long-term business in the industry.

Food truck entrepreneurs may not control external factors in relation to their business activities. The external factors include awareness, government policies and city regulations (McGinnis, 2012). Economic conditions can also affect the food truck entrepreneurs (DiPietro, 2016). Food truck entrepreneurs may influence internal factors related to their business activities. These factors include a good business strategy for growth and maturity, having good entrepreneurial and operational skills and managing financial resources (Myrick, 2012; Truong, 2019).

3 METHODOLOGY

3.1 NELSON MANDELA BAY

Nelson Mandela Bay is located in south east cost of South Africa. The metro was renamed after former President Nelson Mandela and lies along Algoa bay (between Cape Town and Durban) in the cost of Indian ocean. NMB has a population of 1.3 million (CoGTA, 2020). The city is famous because of its key economic sectors including car manufacturing, tourism, water sports, textile manufacturing, mining, agriculture and maritime at the two ports: Port Elizabeth and Ngqura. Despite well-established sectors, the metro faces challenges related to lack of skilled labour, high youth unemployment, poor housing, rising poverty, scarcity of water leading to poor sanitation, among others (Natiane et al. 2021; Perks, 2010). Micro small and medium enterprises are believed to be solutions to some of the problems in NMB metro.

Often, the outcome of an entrepreneurial venture is a small business. Small businesses provide opportunities for income generation for households thus reducing poverty (Azamat et al., 2023) enhancing employment creation opportunities, and skills development (Perks, 2010). However, the small businesses in NMB face challenges that affect their ability to grow and become large organisations. The NMB Business Chamber highlights some of the challenges of small business and they include lack of skills, limited access to markets, limited funding opportunities, inadequate entrepreneurial training and support (NMBBC, 2023). The NMB municipality Department of Economic Development, Tourism and Agriculture, local business chamber and private organisations are attempting to support development of small businesses through skills development programs and funding. Studies have been conducted to understand the challenges of small and medium enterprises (Kouadio, 2012; Olawale et al., 2010; Perks, 2010). However, studies specific on food truck entrepreneurs that can inform such programs are missing and this study attempts to fill this knowledge gap.

3.2 RESEARCH METHODS

The study used the qualitative research approach (Patton, 2014) in order to explore, understand and describe the contextual factors that were affecting the food truck entrepreneurs in NMB Metro. The qualitative research approach facilitated the receipt of first-hand information from the food truck owners (Tuli, 2010). Purposeful sampling was used to identify

participants for the study because the exact number of food truck entrepreneurs is not known in NMB Metro (Robinson, 2014; Patton, 2014). The criteria for the sample include:

- a) owners of a food truck business;
- b) operating in NMB Metro and surrounding areas;
- c) being in operation between one and five years or more in food parks or markets or participated in events that involve food truck businesses e.g. cultural festivals.

Snowball was used where participants to the study recommended other suitable participants within the community of food truck entrepreneurs in NMB metro (Patton, 2014). The profile of the selected participants is summarised in Table 1 below.

Table 1

Summary of profile of the participants

Participant ID	Gender of owner	Number of employees	Year Established
Participant-1	Male	4	2014
Participant-2	Male	0	2016
Participant-3	Male	2 casual staff	2018
Participant-4	Male	0	2021
Participant-5	Female	2 casual staff	2022
Participant-6	Female	1 casual staff	2018
Participant-7	Male	1	2020

Source: Prepared by the authors (2023).

Data for the study was collected using face-to-face interviews and the researcher spent time with each entrepreneur for in-depth conversations to gain a better understanding of their experience in the food truck industry. Creswell and Creswell (2018) describe interviewing as a methodical collection of data by asking a set of planned questions, cautiously listening and then recording the responses from the participants. The development of an interview guide for the semi-structured interviews was sourced from the literature studied. A pilot of the interview was conducted with one food truck entrepreneur before the rest of the entrepreneurs were contacted for a scheduled interview. The interviews lasted between 45 to 60 minutes and were audio recorded. The audio recorded interviews were later transcribed and stored in electronic document format. The collected data was analysed using thematic analysis (Braun & Clarke, 2006). According to Braun and Clarke (2006, p. 77), thematic analysis is an advantage for qualitative studies due to its being a “method rather than a methodology” and is therefore deemed not to be tied to a specific theoretical perspective. The transcribed data was read several times to be familiar with the text and later important points in the text were noted. Text in form of phrases, sentences and paragraphs were assigned to a code. The codes were later sorted into

initial themes. The themes were reviewed to ensure that they were coherent. Each theme was then reviewed to fit the storyline emerging from the data. A report was developed to respond to the research question. Maguire and Delahunt (2017) explains Braun and Clarke's 6-step framework as very useful to conduct thematic analysis as the researcher can move forward and backward between the data and does not have to be linear.

4 RESULTS AND DISCUSSION

4.1 SUSTAINABLE FOOD TRUCK BUSINESS

Both internal and external factors play an important role in the success of a food truck business. The internal factors include a strong business plan, financial acumen and management skills. The external factors are awareness, the market and regulations. The factors are summarised in a little more detail in the following sub-sections.

4.2 INTERNAL FACTORS

Food truck entrepreneurs in the study highlighted that having the required skills to survive and adapt to this food truck industry was important. Both management and financial skills were vital for food truck entrepreneurs to survive and be profitable. Having management skills supported entrepreneurs to make quick decisions, plan ahead and cope with pressure. For instance, Participant 6 stressed the importance of management skills in a food truck business: "You have to know how to work with your finances, the budget, cash flow and planning. Understanding the employment act in terms of employing staff. Management skills are very."

It was also interesting to note that some of the food truck entrepreneurs developed management and financial skills while operating their businesses. Other participants highlighted that they used their managerial skills they had developed in their previous careers. For example, Participant 3 had developed management skills while working as a nurse: "I use a lot of my management skills and training skills from my nursing background. Costing, management of staff. All these skills I have learnt from my nursing background. I love interacting with people.". The skills from previous career empowered the participant to effectively manage the food truck business. A number of participants in this study were adamant that the entrepreneur had to adapt and be versatile in the food truck industry, or they would not survive.

Weather was another important factor for food truck entrepreneurs. Participants 1, 3, 6 and 7 all mentioned the effect of weather on their business because they operate outdoor. If the weather was bad, then attendance at the outdoor market would be low, with a risk of ending up with fresh produce and stock that could not be sold. As an entrepreneur, one would have to devise alternative plans on how to get rid of all the extra food and still make a profit.

Understanding and managing the finances of the business was an important skill that had emerged as a theme in this study. It was important to budget, cost and forecast. Managing the cash flow and ensuring that the business attempted to build savings was important, as every business would experience favourable months (e.g. increase in revenue) and unfavourable months (e.g. decline in revenue). Participant 1 commented that: "Remember, in this industry, there are no hard and fast rules. You have up months and down months. So you need to put money aside for the down months". Similarly, Participant 5 commented that: "I keep strict record of my sales and expenses to see the trends within a month. I then start seeing a trend that the first two weeks of the month is good but then the third week is slow. You get to understand when to have more stock available and when not."

Having a formal business plan in place for both the long and short term has been identified in the literature as extremely important for the survival of a food truck business. In this study, the participants did not consider a formal business plan important. Most participants had an informal business plan with basic short-term planning. In most cases, this seemed to be due to previous experience of the owners and the industries that they had worked in before starting a food truck business. It could also be due to the recent COVID-19 pandemic that had changed the perceptions and long-term outlook of many businesses. Some of the participants in this study indicated that their main focus was to attend every market and festival possible, while others selected specific markets that would add value to their brand.

You have to pick your events, ask around and find out if the event has been on before. How many people are doing this event that is the same as you? If for example there is already a coffee guy at the event, why would they need another? Plan for your units you want to sell at that specific event. This is a numbers game and you have to add to the bottom line. (Participant 3)

Participants seem to be aware of their competitors, as in most of the responses it was mentioned that the menus of the various food trucks were unique and personal to the owners. Participant 6 had an interesting comment around the menu offering and costing: "You have to do your costing. We had to also adapt to a low cost menu option, as it seems that with every

market a new food truck would arrive, so we have to stay on top of our game.” It was however also mentioned by at least two participants that they noticed the increase of new food trucks that arrived on the scene regularly. Therefore, a business plan might not be that important at present, but as the industry grows in NMB, it might be increasingly important for food truck owners to implement a formal business plan.

Another theme that emerged from the study was the importance of ensuring the visibility of food truck brands known to the locals. Participant 7 made the following comment: “Facebook and being out and about on the streets. People see us parked here every day whenever the weather is good.”. The use of social media to update and attract customers was undoubtedly a factor that ensured the visibility of a brand. Social media in particular was one of the ways that many food trucks survived during COVID-19, by posting home-cooked meals and takeaway options for their customers. All participants mentioned that they used social media to attract more customers and advertise their offerings. As noted above, one of the participants commented about the current trends of outdoor markets around NMB and the use of social media to attract people. When each food truck posted about its participation at a specific market, it reached thousands of customers and benefitted everyone at the market as it increased customer attendance. Participant 6 made the following relevant comment: “Markets are huge at the moment. People are shopping local and they do not go to malls as much anymore. People are very supportive of local products. Going to a market is a family experience. People enjoy a day out in the fresh air rather than going to a mall.”

4.3 EXTERNAL FACTORS

In most cases, the participants had a very broad target market with no details or specifics as to who the target market actually was. The food truck industry in NMB does not seem to be too competitive currently as each participant believed that they served a specific market that enjoyed their food and menu options.

Food trucking is a very personal independent business, but together, at a market, we create a vibe and good food options. There is power in working together. We still operate competitively with each other within the market, but together we are creating an industry and an industry that is sustainable. (Participant 1)

It has, however, been mentioned already that NMB is a difficult place to do business in and that the market is relatively small in the metro. Entrepreneurs had to therefore rely on local

support. The fact that outdoor markets are currently a trend in NMB is beneficial to all food truck entrepreneurs in the metro. However, it has been mentioned by two participants that the food truck industry is still relatively closed, and a new food truck will struggle to enter regular outdoor markets. Major festivals and big sport events in the metro also remain relatively closed and were costly for small and new food truck owners to gain access.

It is a growing industry in our community (NMB area), there is a lot of support and demand for it. There are constant markets being run each weekend. Big corporates are increasingly using food trucks. Many personal requests, in the form of weddings and birthday parties have requested the services of food trucks. (Participant 4)

The regulations in NMB do not seem to contribute to the success of food truck entrepreneurs in the metro, mainly due to the restrictions around trading at the beachfront. This seems to be the only reason why participants of this study indicated that the regulations have a negative effect on their business. Participant 2 reported that: “Bylaws limit us to where the people are, as summertime people are all on the beach”. Participant 7 also narrated that:

To park at the beachfront is not allowed. We feel that we are part of the tourist attractions on the beach, but we are not allowed to park there. If you park there you get fined. People want to go for a walk on the beachfront and have a bite to eat or a cool drink, they are forced to go sit in a restaurant, whereas they could have just grabbed something from one of the food trucks and enjoy the outdoors, but it is not allowed. Having a food truck and being able to create jobs for others is hampered by regulations like this, as we could have expanded our truck by now, should we have been allowed to park at the beachfront.

This may mean that operating location was crucial for the food truck entrepreneurs. Operating in locations where there are more customers may mean that food truck entrepreneurs can increase their sales and make profits to sustain their businesses. In a way, restrictions to operate at the ideal location like the Beachfront was perceived to be a barrier for business success among the food truck entrepreneurs in NMB Metro.

The certification requirements to trade and the health and safety requirements for food trucks are supported and understood by all. For example, one participant commented on the food handling and hygiene training: “We all must undergo training for basic principles of food handling and hygiene.” (Participant 4). Similarly, another participant commented that: “I feel it is reasonable, especially for people who did not study within this industry and might not have all the required knowledge about cooking food for the public and large amounts.” (Participant

5). This may mean that food truck entrepreneurs were aware of the need of health and safety when operating their businesses. However, on role of health inspectors who were responsible for routine checking if all health and safety requirements were being followed, the participants felt that there were lapses in the inspections. The health inspectors seem to conduct inspections only at festivals to ensure the relevant licenses and certifications were in place. It was also noted that all food truck business employees required a food handlers' certificate that could be obtained through online training and was offered free of charge.

Our analysis revealed factors that were important for food truck businesses to remain sustainable and profitable. The factors include awareness of business environment, regulations, marketing, management skills of the food truck entrepreneurs, having a business strategy and financial resources. The factors were categorised into internal and external factors depending on the roles of the food truck entrepreneurs to influence the outcome of each factor. The findings to some extent were consistent with previous studies that have looked at factors affecting food truck businesses (DiPietro, 2016; Fahlevi, Zuhri, Parashakti & Ekhsan, 2019; Luu, Nikazm, Yeganeh & Song, 2015; McGinnis, 2012; Myrick, 2012; Truong, 2019; Strand, 2015; Worku, 2013). Contextual explanation of the analysed factors are discussed in the subsequent paragraphs.

Awareness of the industry in NMB was mostly due to entrepreneurs who followed trends as seen and observed by other food truck businesses in major cities of South Africa. It was established that the food truck industry was growing in NMB, although at a slow pace. The support was relatively good and the demand was relatively high, especially for outdoor markets currently. There was also a growing interest in food trucks to cater for private functions and corporate events. This finding was consistent with studies that have identified awareness as a factor that can affect the operations of food truck businesses (Truong, 2019).

The food truck market and growth of the industry in NMB does seem to be slower in comparison to other major cities in South Africa. The market was small and entrepreneurs have to rely on local support and reoccurring business. Unique product offerings at the correct price were important, and consumers require good menu options. Food truck entrepreneurs in NMB all relied on social media as a marketing tool for their business and also relied on word of mouth and being visible at markets to create awareness of their brand. The weather was identified as having a major impact on outdoor markets, as bad weather resulted in low attendance and low sales.

The regulations in NMB on the whole did not contribute to the success of food truck entrepreneurs in the metro, mainly due to the restrictions around trading at the beachfront. This seems to be the only reason why participants of this study indicated that the regulations had a negative effect on their business. It appeared that the location to trade was an important factor for food truck entrepreneurs in NMB. The certification requirements to trade and the health and safety requirements for food trucks were supported and understood by all. Visits from the health inspectors could however be more consistent and maybe planned outside of busy festivals or markets. However, visits by health inspectors could increase customer confidence in good health and safety practices by food truck entrepreneurs.

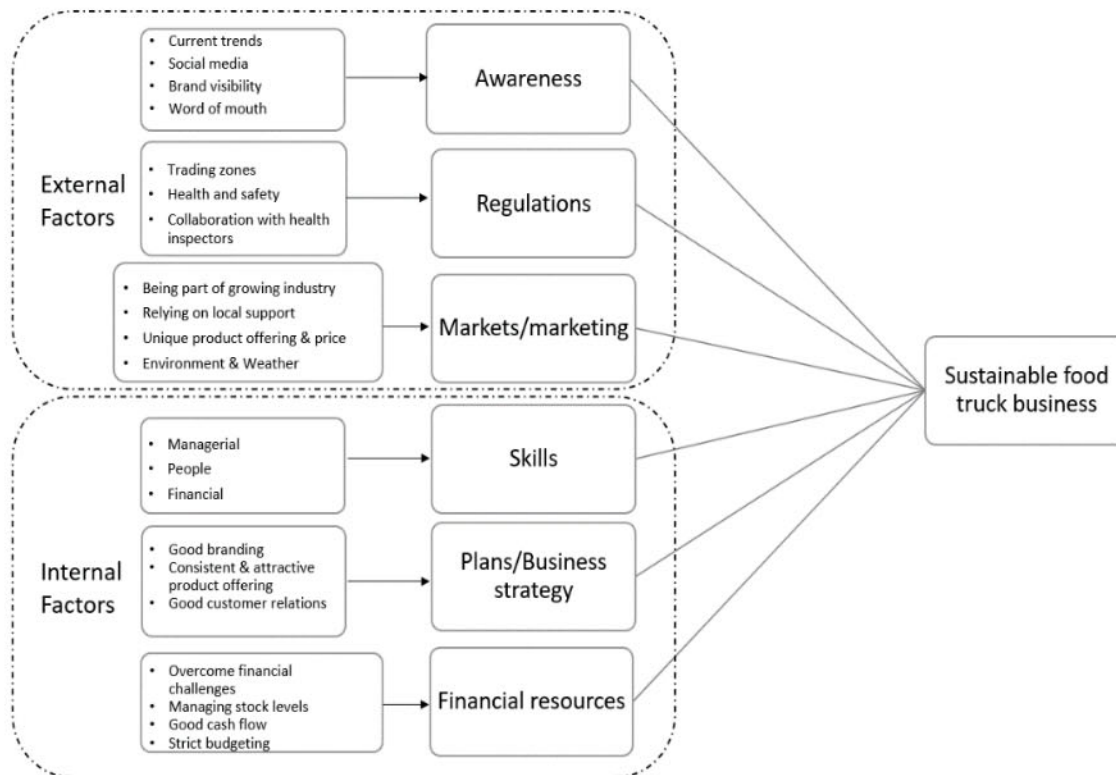
Having the required skills to survive and adapt in this industry is important, as mentioned by nearly every participant in the study. Both managerial and financial skills are vital for food truck entrepreneurs to survive and be profitable. It is important to budget, cost and forecast. Managing the cash flow and ensuring that the business attempts to build on savings is important as every business will experience favourable and unfavourable months. People skills and management of staff were also identified as important skills for a successful food truck business.

The findings reveal that NMB food truck entrepreneurs did not deem a formal business plan important for sustainability. Most participants indicated that they had an informal business plan with basic short term planning. Some of the participants in this study indicated that their main focus was to attend every market and festival possible, while others selected specific markets that would add value to their brand. The food truck entrepreneurs were aware of their competitors as in most of the comments it was mentioned that the menu of the various food trucks were unique and personal to the owners.

The findings also showed that customer relationships, consistent and attractive product offerings, good branding and clean equipment were vital contributors to the business success of food truck entrepreneurs. The branding of the food truck business in particular was mentioned numerous times as important. Creating awareness and building a strong brand was therefore vital for the sustainability and growth of the food truck businesses. The use of social media to update and attract customers was undoubtedly a factor that ensured the visibility of the brand. Social media in particular was one of the ways that many food trucks survived during COVID-19, by posting home-cooked meals and take-away options for their customers. This may mean that food truck entrepreneurs in NMB were also benefiting from use of social media for businesses purposes like other businesses elsewhere (Ishak et al., 2018; Majid et al., 2022).

In most cases, the participants had a very broad target market with no details or specifics of the target market of their business. The food truck industry in NMB did not seem to be too competitive as each participant believed that they served a market that enjoyed their food and menu options. It has however been mentioned already that NMB was a difficult place to do business in and that the market was relatively small in the metro compared to other parts of the country. Entrepreneurs had therefore to rely on local support and repeat business from their customers. The fact that outdoor markets were currently a trend in NMB was beneficial to all food truck entrepreneurs in the metro.

Theoretical contribution of the study is proposition of a framework summarised in Figure 2 below. The assumption is that both internal and external factors play a role in the sustainability of a food truck business. Three main external factors have been identified as contributing factors, namely awareness, regulations and marketing/markets. Themes associated to each factor are highlighted. The assumption is that should a food truck entrepreneur focus on the current trends within the industry, make use of social media, ensure strong brand visibility and receive positive word-of-mouth advertising from its customers, it would cover the awareness factor of both the food truck industry and the actual business. Regulations controlling the food truck industry are another external factor. Food truck entrepreneurs may work closely with the health inspectors, complying with the health and safety requirements. A food truck business would be deemed compliant if it adheres to the trading zone restrictions, and receive approval to operate. Finally, marketing and markets are the third external factor that is assumed to have an effect on the sustainability of a food truck business.

Figure 2*Emerging theoretical framework*

Source: Prepared by the authors (2023).

The points associated with marketing and markets include the support of local customers, offering unique products at reasonable prices, and being part of the food truck industry as opposed to operating in silos. There were external factors that entrepreneurs had no control over but played a role in the success of their businesses e.g. environment and weather. The internal factors, on the other hand, can be controlled by the entrepreneur and include three main factors, namely skills, business strategy and financial resources. The assumption is that managerial skills, people skills and financial skills are vital to the sustainability of a food truck business. Good branding of the truck, consistent and unique product offerings to the consumers, and good customer relations all form part of a good business plan and strategy to remain successful. Financial resources are assumed also to be an internal factor, and require the entrepreneur to overcome financial challenges by being creative when business is slow, managing stock levels and not over-purchase ingredients and goods, ensuring good cash flow and maintaining a strict budget for the business.

5 CONCLUSION

This study set out to determine factors that affected the business sustainability of food truck entrepreneurs in NMB metro. The findings in the study showed that there were internal and external factors. The external factors include awareness, regulations and markets. Awareness was created via social media platforms, food trucks being visible on the streets and word of mouth. The current regulations and policies in NMB do not seem to affect the long-term sustainability of the food truck industry. However, most entrepreneurs would like the metro to reconsider the trading of food trucks on the popular beachfront areas. Internal factors that play a role in the sustainability of food truck business include the importance of managerial skills as well as financial acumen and people skills. Financial resources are vital and an attempt to save money for quiet months was one of the key findings for food truck businesses to remain financially viable. Working long hours and being active at all markets, festivals, events and private functions are deemed most important to remain profitable and financially stable. Food truck entrepreneurs in NMB rely on continuous local support for their businesses and therefore deem customer satisfaction and returning customers as vitally important. Food truck entrepreneurs did not consider a formal business plan to be as important, although the participants in this study displayed a good understanding of their customer needs, menu pricing and competitors within the food truck industry. The markets attract many people to open, safe, outdoor spaces in and around the metro as an alternative to shopping malls. All internal and external factors play a vital part in the sustainability and growth of the food truck industry in NMB. The study offers useful insights into factors that affect food truck entrepreneurs in the context of South Africa and further studies can validate the proposed conceptual framework. Drawing from these insights is the necessity for (a) metro officials and local governments to support food truck entrepreneurs in funding for start-up as part of the employment creation programme (b) metro officials can also review the trading location restrictions and promote food truck entrepreneurs as they contribute to cultural and local economy of the metro.

The study points to the need for the government to support food track entrepreneurs in funding and other support programmes including regulations regarding business location. Government and municipality will need to have a budget for funding food truck entrepreneurs. In addition to providing funding, government and municipality may collaborate with higher education institutions, private sector organisations and development partners to provide skills development programs for food truck entrepreneurs to ensure that entrepreneurs have adequate

skills to run their businesses. Further, there is need to review bylaws related to trading location regulations. The changes would require a consultation of local councillors, members of business chamber and food truck entrepreneur's association for their input and recommendations.

The study was not without limitations. Our sample comprises only seven food truck entrepreneurs from NMB Metro. The total registered number of active food trucks in the metro is not available from the municipal offices and it was therefore difficult to determine the actual population of food truck businesses. The input from other food truck entrepreneurs outside of NMB was also not considered in this study because of limitations of budget and time. The study is cautious of making generalisations to a large population, but rather sees the findings from analytical generalisations, where theoretical statements emerging from the study can be used to explain the findings of studies conducted in a similar context (Baker & Welter, 2018; Polit & Beck, 2010). Considering that lapses in the study, the study suggest areas for further research (a) studies can be conducted in other metros and provinces of South Africa to validate the emerging conceptual framework (b) another interesting area of future research can be conducting a survey of large population of food truck entrepreneurs across South Africa using quantitative research methods.

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