

Assessment of Intervention Strategies for Supporting Street Vendors in Dodoma City Council, Tanzania

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Abstract

The study assessed the Intervention strategies towards helping the business street vendors at Dodoma City Council. The study adopted a mixed research approach and data collection involved questionnaires and unstructured interviews with key informants (N=110), where 100 participants were surveyed street vendors, and 10 participants were interviewed City Council officials. Data analysis employed both statistical techniques for quantitative data and narrative analysis for qualitative responses to provide a comprehensive understanding. The study found that the City Council has supported vendors through financial assistance, training programs, and designated business spaces, with mixed effectiveness. Results show that 67% of vendors received financial support, and 72% indicated this assistance to have had a beneficial impact on their business. 51% also had training programs available, from which 67% reported better business functions because of the training. Fully 70% of vendors reported that their business had access to designated business spaces, and 69% noted that the experience had increased their business performance in an organized location. On the whole, interventions showed positive effects; however, substantial deficits persisted as a large subgroup received no benefit from such support. The investigation also highlighted challenges such as lack of enough space at established markets, difficulties in selecting appropriate spaces where to vend and low compliance for vendors choosing unauthorized high-traffic areas. These findings underscore the requirements for better planning, increased infrastructure, and enhanced enforcement to promote an equitable and sustainable provision for street vendors in Dodoma City. Based on these findings, five recommendations are proposed: improve access to financial support, enhance training programs, expand and upgrade market spaces, strengthen enforcement through participatory approaches, and integrate street vending into city planning through regular assessments and stakeholder engagement.

Keywords

street business vendors, intervention, council

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Introduction

Street vending is a widespread economic activity in Tanzania, as in many other developing countries. It involves selling products such as shoes, prepaid telephone cards, fruits, vegetables, and clothes along streets, sidewalks, and public spaces (Chen & Skinner, 2014). The informal economy plays a crucial role in providing employment opportunities, and street vending is one of its most visible components.

Recent global and regional labour statistics indicate that nearly two billion people, representing about 60% of the world's workforce (many as street vendors, home-based producers and casual traders), are engaged in informal employment (ILO, 2024). This labour-force participation rate increases to approximately 86% in Sub-Saharan Africa (ILO, 2025), where the informal economy is estimated to contribute between 25–65 % of GDP across many countries. In Tanzania, the informal labour sector contributes around half of National GDP, and employs approximately 70-72% of total employment (UNDP, 2025; NBS, 2019).

According to the International Labor Organization (ILO, 2021), as of 2019, approximately three out of five people worldwide were engaged in informal employment. In Africa, this figure rises to over 70% in Sub-Saharan Africa and 62% in North Africa, contributing more than 60% of the Gross National Product (GNP) in Sub-Saharan Africa as of 2021 (Joseph et al., 2022). Similarly, Maliyamkono et al (2012) highlighted that street vending significantly contributes to Tanzania's economy. The ILO (2013) reported that the informal sector provides employment for 90% of the workforce in Tanzania, underscoring its economic importance.

Despite its economic benefits, street vending faces several challenges in Tanzania. One of the primary issues is legality. Many street vendors operate without formal authorization, making their businesses susceptible to eviction and legal penalties (Lyons, Brown, & Msoka, 2014). Also, vendors often struggle to access financial services due to a lack of collateral, limiting their ability to expand their businesses (Mramba et al., 2015). Kamunyori (2007) noted that street vendors frequently encounter forced evictions, harassment, marginalization, and confiscation of their goods by authorities. Moreover, Kayuni and Tambulasi (2009) pointed out that negative perceptions from formal business owners, public authorities, and politicians further discourage the sector. These challenges hinder the sustainability and growth of street vending, making it a precarious occupation.

The challenges faced by street vendors in Tanzania raise concerns about their ability to sustain their livelihoods and contribute effectively to the economy. The lack of legal recognition and financial support forces many vendors to operate in a vulnerable state, subject to constant threats from law enforcement and city authorities. Furthermore, the absence of proper intervention strategies exacerbates their struggles, limiting their potential to contribute more

significantly to economic development. Without structured policies and support mechanisms, street vendors continue to face insecurity, financial exclusion, and social marginalization.

Given the significant role of street vending in the economy and the numerous challenges vendors face, it is essential to examine effective intervention strategies. Dodoma, as the capital city of Tanzania, is a focal point for economic activities, including street vending. However, limited studies have been conducted to address intervention strategies for supporting street vendors in the city. This study contributes to this debate by assessing strategies in place for helping street vendors to overcome their challenges, improve their business sustainability, and enhance their contributions to the local economy.

Ideally, street vendors should be provided with a supportive business environment that allows them to operate legally and securely. They should have access to financial services, designated vending spaces, and protection from unfair treatment by authorities and formal business owners. Also, intervention strategies should be implemented to help street vendors sustain their businesses and contribute effectively to the economy.

Previous studies have highlighted the economic contributions of street vendors, including their role in meeting the demands of urban dwellers (Asiedu & Agyei-Mensah, 2008; Lorenzo-Lindell, 2002; Mensah et al., 2002). Research has also identified the various challenges vendors face, such as harassment, forced evictions, and financial exclusion (Kayuni & Tambulasi, 2009). While there is extensive literature on the challenges and contributions of street vending, there are few studies on intervention strategies to support street vendors. Limited research has been conducted on policies and practical measures to the struggles and enhance the business sustainability of street vendors.

The findings from this study are potentially useful for policymakers and stakeholders by providing insights into intervention strategies to promote inclusive economic growth and reduce inequalities. The findings may be useful to help guide policy formulation and resource allocation, fostering a supportive business environment aligned with sustainable urbanization, poverty alleviation, and inclusive growth goals which are essential for achieving Tanzania Development Vision, 2050. Also, the study informs intervention strategies which can be applied by other African countries facing the same challenges.

Theoretical Review

This study was guided by institutional theory which explains how institutions—comprising rules, norms, and structures—shape economic activities and behaviors (Scott, 2004). Institutional theory posits that businesses and individuals operate within a framework of formal and informal institutions that influence their actions and decisions. The theory was primarily developed by scholars such as Douglass North (1991) and Paul DiMaggio & Walter Powell

(1983), who emphasized how institutional environments shape economic and organizational behaviors.

The main assumptions of institutional theory include the idea that organizations and individuals conform to established norms and legal frameworks to gain legitimacy and ensure sustainability (Meyer & Rowan, 1977). It also assumes that institutional pressures, including regulatory, normative, and cultural influences determine business operations (DiMaggio & Powell, 1983). Furthermore, institutional stability and change affect how economic activities evolve over time.

Institutional theory is relevant to this study as it helps explain how regulatory frameworks and governance structures impact the operation of street vendors in Dodoma City. Also, the study tries to establish the way street vendors' governance and support mechanisms empowers them economically. The challenges faced by street vendors, such as eviction, legal restrictions, and financial exclusion, can be analyzed through an institutional lens. By assessing intervention strategies within the context of institutional theory, the study provides insights into how policies, regulations, and institutional support mechanisms can be enhanced to improve the business environment for street vendors.

Drawing from institutional theory, three aspects can be designed as interventions by Dodoma City Council for supporting street vendors, including regulations, and normative and cognitive aspects. Concerning regulations, the theory informs the way Dodoma City Council develops bylaws, and designated spaces as way of organizing street vendors and reducing conflict that may arise between vendors and the Council authority. This aspect informs the way bylaws and space designation helps proper organization of street vendors. Also, regulations establish the empowerment mechanisms established by the Council and their economic impact to street vendors. On the side of norms, the theory helps the examination as to whether Dodoma City Council facilitates training and impart entrepreneurial skills to street vendors to help them improve their income and contributes to local economic development. This aspect also affects the way the Council informs on the better business practices and the level of compliance among street vendors. Regarding the cognitive dimension, the theory helps to assess the level of vendor recognition by the Council and the reduced conflict with vendors.

Empirical Literature Review

Street vendors play a crucial role in urban economies, yet they often face challenges such as legal restrictions, harassment, and lack of access to resources. One effective strategy to support them is the implementation of inclusive policies that recognize their contributions and provide legal protection. According to Roever and Skinner (2016), formalizing street vending through clear regulations and designated vending zones can reduce conflict with authorities

and enhance economic stability. By integrating vendors into urban planning, governments can create a more supportive environment for their businesses.

Another important strategy is providing access to financial and business resources, including microloans, training programs, and cooperative support. Studies indicate that financial inclusion can significantly boost the incomes of informal workers by allowing them to invest in better equipment and inventory (Chen, 2018). Training programs on business management, hygiene, and digital payments can also enhance their competitiveness and resilience (Bhowmik, 2012). Governments and NGOs can collaborate to offer such resources, helping vendors sustain and expand their businesses.

Community engagement and advocacy are also essential in supporting street vendors. Organizing vendors into associations can empower them to negotiate better working conditions and protect their rights (Lindell, 2010). Public awareness campaigns can help change perceptions, encouraging consumers to support street vendors and recognize their economic contributions. Also, partnerships between vendors and local businesses can create mutually beneficial opportunities, fostering a more inclusive urban economy. Through these strategies, street vendors can gain greater security, stability, and economic growth.

Several strategies have been implemented to support street vendors, with varying degrees of effectiveness. One of the most effective strategies for supporting street vendors is legal recognition through policies that integrate them into urban planning. Countries like India have adopted laws such as the Street Vendors (Protection of Livelihood and Regulation of Street Vending) Act, 2014, which provides licensing and designated vending zones (Bhowmik, 2012). Research by Roever & Skinner (2016): "*Street Vendors and Cities*" indicates that legal frameworks help reduce police harassment and provide vendors with economic stability (Roever, 2016).

Providing street vendors with access to credit and microfinance is another impactful strategy. A study by Chen et al (2018) found that vendors with access to microloans were more likely to expand their businesses and improve income security. Microfinance institutions (MFI) and non-governmental organizations (NGO) have played a vital role in offering small loans with low-interest rates, helping vendors purchase inventory and invest in better infrastructure (Alfers, 2016).

Establishing well-planned vending zones with basic infrastructure, such as shelters, sanitation facilities, and storage areas, significantly enhances street vendors' working conditions (Roever & Skinner, 2016). Studies from Latin America and Southeast Asia have shown that designated markets improve vendor safety and increase consumer foot traffic, boosting earnings (Skinner, 2019). However, in cases where governments relocate vendors to less accessible areas, vendors may experience reduced sales and economic hardship (Bromley, 2000).

That said, there are several challenges facing street vendors. Kalimuthu and Sindu (2021) examined the challenges faced by street vendors in Coimbatore City, noting that street

vending attracts many due to low income, easy entry, and self-employment. A significant issue is the fear of eviction. Despite expectations that street vending decreases with economic development, it is rising in some areas. The Street Vendors Act has helped improve vendors' living standards.

Dejene et al (2023) assessed the challenges and opportunities of street vending in Robe Town, identifying issues such as poor infrastructure, lack of legal recognition, limited access to capital, and insecure business locations. The study also highlighted that street vendors are often overlooked as economic contributors and face municipal policies that hinder their operations, alongside various economic challenges.

In Tanzania, Mramba (2022) explored the social exclusion of street vendors, highlighting their marginalization in legal, financial, and urban planning domains, as well as in taxation and business location access. The study suggests strategies to promote social inclusion, emphasizing the importance of addressing exclusion and discrimination to foster economic growth and reduce poverty among street vendors. Also, Lyons et al (2014) found that, despite the business reforms in Tanzania, street vendors remain unorganized, and look like the 'ignored sector.' Similarly, Msoka and Ackson (2017) and Nyrenda and Msoka (2019) found that street vendors in Tanzania are not organized, and that this fact limits their voice in public policy making. Moreover, street vendors are characterized by lack of training, lack of legal status, and lack of recognition by different financial institutions. However, each group has its pressing challenges (Kirumirah & Munishi, 2021).

While studies in Tanzania focus on challenges facing street vendors, less attention has been directed toward efforts made by local government authorities (LGA) to support street vendors. Drawing from the success stories from countries like India (which have managed to enact laws for supporting street vendors), this study broadens the discussion by examining how LGA in Tanzania support street vendors as a way of improving their organization and their business performance as a way of improving their income and promoting local economic development.

Methodology

Study area and Research Approach

This study employed a convergent mixed research approach by integrating both qualitative and quantitative approaches to thoroughly assess intervention strategies for business vendors at Dodoma City Council. In this regard, both qualitative and quantitative data were collected, analysed and presented at the same time. The City Council of Dodoma was chosen as the study area due to its significance as the capital city of Tanzania, where business vendors played a vital role in the local economy. The city's rapid growth and development has led to

various challenges for these vendors, including limited access to resources, infrastructure, and support services. By focusing on Dodoma, the study aimed to explore how intervention strategies could be effectively tailored to meet the specific needs of vendors in this dynamic urban environment, providing insights that could be applicable to other similar regions in Tanzania.

Sampling

The study applied convenience sampling technique to select 100 street vendors in the City Council of Dodoma. The researcher included street vendors who are matching and those who have been placed in a designated area. Those who agreed to participate after being told of the intention of the study, were included. Streets included were *uzunguni*, *uhindini*, *majengo*, *machinga*, *jamhuri*, and *sabasaba*. The streets were selected because they were host to many street vendors. The data collection was done over a period of one month from February 1 to March 1, 2025. Also, the study used purposive sampling to select ten local officials from the City Council of Dodoma who could provide informed advice on the best way of dealing with street vendors. The officials selected include Ward Executives, Business officers, trade officers and planning officers. Officials were selected because based on their role in dealing with street vendors, including organizing, and supporting them. While convenience and purposive sampling techniques might introduce some bias, the researcher made sure that the study included as many respondents as possible to reduce bias.

Data Collection

Questionnaire and unstructured interviews were employed as data collection methods. On the one hand, the questionnaire gathered information on the intervention strategies aimed at assisting business vendors in Dodoma City. The survey included both closed-ended questions for quantitative data and open-ended questions for qualitative insights. The target group consisted of 100 vendors, whose responses were crucial to understanding the effectiveness of these strategies. The questionnaires were distributed as printed copies for the respondents to complete. The questions asked were based on the objectives and key parts of the study. Also, an unstructured interview was used to collect data from the ten key informants. These informants were selected based on their expertise or positions within the local government or business community in Dodoma City Council. This method provided in-depth insights into the intervention strategies aimed at helping business vendors, contributing valuable perspectives to the research. The pilot test of the data collection instruments was conducted with a group of 15 participants to confirm validity. It was found that that the questionnaires questions were capturing the intended information from respondents. Informed, voluntary, written consent was sought from the respondents in this study.

Data Analysis

Data analysis is simply the process of converting the gathered data to meaningful information (Start, 2006). The study employed both statistical and narrative analysis techniques to analyze the quantitative and qualitative data collected through questionnaires and interviews. For the quantitative data, statistical techniques were used to identify patterns, trends, and correlations, providing a clear numerical understanding of the effectiveness of the intervention strategies. SPSS version 22 was used in analyzing the quantitative data. By contrast, the thematic approach was applied to the qualitative data, allowing for an in-depth exploration of the experiences and perspectives of the participants. The thematic approach involved several steps which were inductive in nature including transcription of data, followed by development of codes which were developed by the researcher. Then followed a development of themes and sub-themes. This combined approach provides a comprehensive analysis of the intervention strategies, ensuring a well-rounded interpretation of the findings. Both categories of data were analysed and presented simultaneously as the study was convergent in nature. During the administration of questionnaires and unstructured interviews, the researcher reassured the respondents that their privacy, confidentiality, and anonymity were guaranteed. Also, a written consent form was signed by respondents to participate in the study. All ethical clearances were obtained from the relevant authorities.

Findings

Strategies for Helping Street Vendors at the City Council of Dodoma

Provision of Financial Support

The study asked respondents whether the Dodoma City Council provides financial support to street vendors, as an indicator of the extent of government involvement in improving vendors' economic conditions. The findings in Table 1 show that two out of three respondents had received financial support, while 30% said they had not. This indicates that although more than half of the vendors benefit from financial assistance, a significant portion still lacks access.

Table 1. Provision of Financial Support for Vendors

S/n	Response	Frequency (N)	Percentage
1	Yes	67	67.0
2	No	30	30.0
3	Don't Know	3	3.0
	Total	100	100.0

Source: Field survey, (2025)

This uneven distribution of financial support suggests that, while the intervention is operational, its coverage may influence differential business outcomes among vendors, potentially widening performance gaps between beneficiaries and non-beneficiaries. During the field interviews with key informants most of participants revealed that the Council had been offering soft loans to street vendors to advance their businesses. The Council has been offering funds to the women, youth and people with disability to advance business and entrepreneurial activities. The loans are offered without collateral, and have been helpful to street vendors. The absence of collateral requirements likely lowers entry barriers for informal vendors who typically lack formal financial assets, thereby enhancing financial inclusion and enabling business capitalization.

One of the key informants stated:

"We have initiated a small grants scheme aimed at empowering street vendors to boost their businesses. However, due to budget limitations, not all vendors receive this support. We prioritize vendors who demonstrate the greatest need and commitment to business growth."

(Trade Officer, February 20, 2025).

The implication is that while the City Council has made efforts to support vendors financially, these efforts may not be reaching all intended beneficiaries. Taken together, the quantitative (67% access) and qualitative evidence suggest that financial support is a central pillar of the Council's intervention strategy. However, limited budget allocation constrains universal access, which may partially explain why not all vendors report improved business performance. Therefore, there is a need to enhance the accessibility and coverage of financial support programs to ensure inclusivity and promote the growth of informal businesses.

Offering of Training or Skills Development Programs for Street Vendors

The researcher asked whether the City Council offers training or skills development programs to street vendors to evaluate the Council's role in building vendors' capacity and improving business practices. The findings reveal that just over half of respondents said they received training, while 36% said they had not (Table 2).

Table 2. Training or Skills Development Programs for Street Vendors

S/n	Response	Frequency (N)	Percentage
1	Yes	51	51.0
2	No	36	36.0
3	Don't Know	13	13.0
	Total	100	100.0%

Source: Field survey, (2025)

This distribution indicates that capacity-building efforts are moderately implemented but not yet institutionalized across the entire vendor population, which may affect the consistency of business performance improvements. During the interviews, a Dodoma City Council official responsible for vendor capacity building described the training initiatives as follows:

"We conduct regular workshops to equip street vendors with essential skills such as financial management, customer service, and hygiene practices. These programs aim to enhance the trainees business operations and sustainability. However, reaching every vendor remains a challenge due to limited resources and scheduling conflicts"

(Planning Officer, February 16, 2025).

These competencies directly relate to operational efficiency, customer retention, and regulatory compliance, suggesting that training is designed to influence both internal business management and external market competitiveness. The gap between those trained (51%) and untrained (49%) is analytically significant because training effectiveness appears closely tied to participation, implying that limited outreach may constrain the overall economic impact of this intervention.

This finding suggests that the City Council has initiated training efforts to empower street vendors, which is a positive step toward enhancing their productivity and sustainability. However, the 49% who have not benefited indicates a gap in program outreach or accessibility. The implication is that the Council should strengthen and expand its training programs to ensure all vendors are equipped with essential skills for business growth and sustainability.

Access to Designated Business Spaces for Street Vendors

The researcher asked whether the City Council provides access to designated business spaces for street vendors to assess efforts in formalizing and organizing the informal sector. The results show that 70% of respondents reported having access to designated business spaces, while only 24% said they did not (Table 3). This indicates that the City Council has made

significant progress in allocating proper spaces for street vendors, which helps reduce conflict, improve hygiene, and enhance vendor security and legitimacy.

Table 3. Access to Designated Business Spaces for Street Vendors

S/n	Response	Frequency (N)	Percentage
1	Yes	70	70.0
2	No	24	24.0
3	Don't Know	6	06.0
	Total	100	100.0

Source: Field survey, (2025)

Compared to financial support (67%) and training support (51%), space allocation appears to be the most widely implemented intervention, suggesting that urban organization is prioritized within the Council's strategy. During interviews with the key informants, participants revealed that the Council has allocated spaces and built markets for street vendors as a way of organizing them and formalizing their businesses. The participants cited the presence of a recent market (mostly known as Machinga complex) which has been built by the Council to accommodate street vendors. In the voice of one of the key informants:

“As one of the efforts by the City Council to support vendors in Dodoma City, we designed a market area known as the Machinga Complex Market, where business street vendors conduct their day-to-day business activities.”

(Planning Officer, February 16, 2025).

Another participant added,

“We provide soft loans needed by vendors to boost up their financial capacity to scale operations, whether by increasing inventory or diversifying product offerings. With access to affordable credit, vendors invest in growth opportunities that would otherwise be out of reach. This expansion not only increases their earning potential but also contributes to the vibrancy of local economies by creating jobs and enhancing market diversity.”

(Trade Officer, February 19, 2025).

The implication is that providing designated spaces is an effective strategy for improving the working environment of street vendors and promoting orderly urban development. However, efforts should continue to ensure that the remaining vendors are also accommodated.

Designated spaces likely contribute to increased business stability by reducing eviction risks, minimizing conflicts with authorities, and enhancing customer visibility, factors that directly

influence revenue predictability. The relatively high access rate (70%) may help explain the strong reported impact of designated spaces on business performance (69%), indicating alignment between intervention coverage and perceived effectiveness.

Impact of Strategies for Helping Street Vendors
Financial Support Impact

The study asked respondents whether the financial support provided by the City Council has helped improve their business performance. The findings, as presented in Table 4, show that 72% of respondents agreed that the financial support had a positive impact on their business, while 18% stated it had not. This indicates that while over half of the vendors find the support beneficial—suggesting improved capital access and potential for business growth -- a significant proportion still sees little to no improvement.

Table 4. Effectiveness of Financial Support

S/n	Response	Frequency (N)	Percentage
1	Yes	72	72.0
2	No	18	18.0
3	Don't Know	10	10.0
	Total	100	100.0

Source: Field survey, (2025)

When compared with the 67% access rate (Section 6.1.1), the slightly higher reported impact (72%) suggests that beneficiaries perceive tangible improvements in stock levels, business expansion, and income generation once financial capital constraints are reduced. Also, during interviews with key informants, it was revealed that street vendors who have accessed loans have been able to capitalize on their business and improve scale, income and provide employment to others, hence impact local economic development. During interviews one of the participants observed that:

“Those who access loans, scale-up their business and some could even employ others due to expansion of their business. This is essential for local economic development.” (Planning Officer, February, 2025).

Another participant related the following:

"Our financial assistance has enabled many vendors to invest in better stock and equipment, which has helped increase their sales. However, some vendors face challenges such as market competition and limited business skills

that hinder them from fully benefiting from the support.” (Trade Officer, February 20, 2025).

This indicates that financial support not only strengthens individual vendor performance but may also generate multiplier effects within the local economy through job creation and increased market activity. This finding implies that the loan provided by the Council positively impacts street vendor’s business and improve their income, though they face market competition. This also implies a need for the City Council to assess how the financial support is administered and whether additional guidance or complementary services (such as business training or follow-up support) are needed to enhance the effectiveness of this intervention.

This finding highlights the interdependence between financial support and training interventions: Access to capital alone may be insufficient without complementary business skills, suggesting that integrated interventions could yield stronger outcomes than standalone financial assistance.

Impact of Training Programs Offered by the City Council

The study examined whether training programs offered by the City Council contributed to the success of vendors' businesses. As shown in the findings, 67% of respondents confirmed that the training had positively impacted their business, while 14% did not see any significant benefit (Table 5).

Table 5. Effectiveness of Training Programs Offered by the City Council

S/n	Response	Frequency (N)	Percentage
1	Yes	67	67.0
2	No	14	14.0
3	Don't Know	19	19.0
	TOTAL	100	100.0

Source: Field survey, (2025)

The alignment between training participation (51%) and positive impact (67%) suggests that those who attend training are likely to experience measurable improvements, particularly in financial record-keeping and strategic planning. Improved record-keeping enhances financial transparency and decision-making, and this may enable vendors to better manage profits, control costs, and respond strategically to competition.

This finding corroborates the beliefs of key informants which highlighted such impact. It was revealed that the trainings have been equipping street vendors with market strategies and how to keep financial record for the sake of improving their performance. During interviews, one of the participants observed: *“Those accessing trainings are able to improve their business skills*

and strategies such as keeping financial records, investment and handling competition pressure” (Trade Officer, February 2025).

Another participant added that inventory skills provided to street vendors have been helpful to them in improving their financial performance. During interviews, the key informant had the following insight:

"Our training sessions focus on practical skills like inventory management, customer relations, and marketing strategies. Many vendors have reported improved business operations after participating. Nevertheless, some vendors find it difficult to apply the skills consistently due to external factors like limited capital or fluctuating demand." (Planning Officer, February 22, 2025).

This suggests that training effectiveness may be moderated by structural constraints such as limited capital and market instability, reinforcing the need for policy coordination between financial and capacity-building interventions. Also, this finding suggests that the majority of vendors gained useful knowledge and skills from the training programs, which likely enhanced their business operations. However, the relatively high percentage of those who did not benefit indicates the need to review the content, delivery methods, or accessibility of the training to ensure it effectively meets the needs of all vendors.

Impact of Designated Business Spaces

The study sought to determine whether the allocation of designated business spaces had improved the performance of vendors’ businesses. According to the findings, 69% of respondents reported that having a designated space positively impacted their business, while 14% said it did not (Table 6). This implies that business spaces are essential for improving street vendor business performance and formalization.

Table 6. Effectiveness of Designated Business Spaces

S/N	Response	Frequency (N)	Percentage
1	Yes	69	69.0
2	No	14	14.0
3	Don’t Know	17	17.0
	Total	100	100.0

Source: Field survey, (2025)

The close correspondence between access to designated spaces (70%) and impact (69%) indicates strong coherence between implementation and outcome, suggesting that space allocation is one of the most directly effective interventions. Similar results were revealed

during interviews with participants who mostly believed that business spaces have reduced the conflict between the authority and street vendors, increased formalization, and facilitated proper arrangement of the city. A key informant from the Dodoma City Council’s urban planning office commented on the allocation of designated business spaces:

“Providing Street vendors with designated spaces has significantly reduced conflicts and improved their visibility to customers. This arrangement not only organizes the market area but also helps vendors build a stable customer base, which is crucial for business growth.” (Planning Official, February 24, 2025).

Reduced conflict lowers operational uncertainty, while improved visibility enhances customer traffic. Both factors contribute to revenue growth and business stability. Compared to financial and training interventions, designated spaces appear to produce both economic and governance-related outcomes (formalization and urban order), indicating that spatial interventions have multidimensional impacts beyond income generation.

This finding indicates that the majority of street vendors benefit from operating in an organized and secure environment, which likely enhances customer access, business stability, and overall productivity. The findings suggest that allocating designated spaces (e.g., the Machinga Complex Camp) is an effective strategy, though further efforts may be needed to address the concerns of those who have not experienced improvements. The effectiveness efforts made by Dodoma City Council are summarized in Table 7.

Table 7. Effectiveness of the Council’s Effort

S/N	Effort	Accomplishment	Impact
1	Designated Spaces	One modern business space (Machinga complex)	More than 500 street vendors accessing the facility Reduced conflict and unrest
2	Business improvement	Establishing business in designated space (avoiding matching on streets)	Increased customers
3	Training	Training on entrepreneurship	Improved business performance, keeping financial records, investment

Source: Author (2025)

Challenges Facing the Council of Dodoma in Allocating Street Vendors to Designated Business Areas

The first challenge identified was the difficulty in identifying suitable locations for street vendors. A Dodoma City Council official involved in urban management acknowledged the challenges faced in locating suitable spaces for street vendors:

“Finding appropriate and accessible locations for vendors is a complex task due to competing land uses, limited available space, and the need to maintain public order and safety. These factors often delay or complicate the allocation process.” (Trade Officer, February 20, 2025).

The difficulty in identifying suitable locations directly affects the scalability of space allocation interventions, thereby limiting the proportion of vendors who can benefit from formalized trading environments. This suggests that the process of allocating appropriate and accessible spaces for vendors is a significant challenge for the Council, possibly due to factors like limited urban space, competing land uses, or poor infrastructure planning. The results imply that more strategic planning and stakeholder engagement are needed to overcome these challenges and ensure fair and efficient space allocation for all vendors.

Another highlighted challenge was shortage of available space for street vendors in the city. It was entailed that the available designated spaces such as the Machinga complex market are not enough to accommodate all street vendors, a factor which leave others unallocated. A key informant also explained:

“Actually, there is a large number of business street vendors in Dodoma City compared to the space available at the Machinga Complex, which has resulted in many vendors occupying other areas like Majengo Sokoni and Nkuhungu Area.” (Urban Planning, February 26, 2025).

The shortage of space explains why 24% of vendors reported lacking designated areas, demonstrating a structural constraint that limits intervention effectiveness despite policy intent. This indicates that the majority of vendors experience difficulties in securing adequate business space, which may limit their operations and income-generating potential. The shortage could be attributed to rapid urban growth, poor planning, or high competition for limited public space. These findings highlight the need for the City Council to explore sustainable urban planning strategies and expand infrastructure to accommodate the growing number of vendors.

Moreover, enforcing the use of designated spaces was highlighted as a challenge. In this, it was revealed that most street vendors would appreciate the opportunity to reach their customers in different parts of the city. That said, even when they are required to utilize the

designated spaces, some still hesitate. This fact challenges the Council on the best way of dealing with street vendors. A key informant from the Dodoma City Council's observed the following:

“Even after allocating specific areas for street vendors, some still return to unauthorized spots due to higher foot traffic or personal preferences. Enforcement becomes difficult when there is resistance or when vendors feel the designated areas are not favorable for business.” (Trade Officer, February 20, 2025).

Resistance to designated areas due to higher foot traffic elsewhere suggests that economic rationality influences vendor behavior. Thus, enforcement without economic incentives may reduce compliance. This challenge may undermine the reported positive impacts, as inconsistent usage of designated spaces weakens the stability and formalization benefits intended by the intervention.

This also suggests that, despite efforts to allocate proper business spaces, there are difficulties in ensuring vendors comply with the guidelines possibly due to weak monitoring, lack of awareness, or resistance from vendors themselves. These findings imply a need for the City Council to strengthen enforcement mechanisms, improve communication with vendors, and promote collaboration to ensure the effective use of designated spaces.

Discussion

The study assessed the intervention strategies implemented by the City Council of Dodoma to support street vendors, and found varying levels of success across different interventions. The City Council of Dodoma has employed several key strategies to support street vendors, including the provision of financial support, training programs, and access to designated business spaces. Findings show that vendors received financial support and training, although a notable portion remains underserved due to budget and logistical constraints. Also, most of respondents reported access to designated business spaces, reflecting substantial progress in formalizing and organizing vendor activities.

The analysis of the effectiveness of the interventions indicates that spatial allocation had the widest coverage, followed by financial support. Training had the least coverage. This variation in coverage seems to correspond to the levels of impact. This implies that the coverage of the interventions may have a bearing on their effectiveness. From an institutional theory perspective, the findings illustrate how these mechanisms of regulation (spatial allocation and financial support) create structured opportunities, whereas normative intervention (training) is subject to social adoption for maximum efficacy.

Collectively, the findings suggest that the three interventions are not stand-alone strategies but complementary elements of a broader local economic development strategy. For example, financial support adds to the vendors' capital base; training adds to their management capabilities; and spatial allocation provides stability to their operations. Where any of the elements is lacking, the effectiveness of the support structure is compromised.

Similarly, integrated multi-component interventions are more effective in enhancing informal traders' resilience and long-term viability than single-dimensional approaches (Sepadi & Nkosi, 2023). This provides further support for the argument that the Dodoma interventions should be conceptualized as an integrated system rather than separate and independent approaches. This multidimensional support is a result of the interaction of regulative, normative, and cognitive elements of institutional theory.

This study used the lens of institutional theory to assess how the Council established designated space (e.g., the Machinga complex) for street vendors, and established bylaws on how to operate and access the business space, which have reduced conflict between street vendors and Council officials. From an institutional perspective, the regulatory mechanisms provide greater clarity and certainty to the rules. This minimizes transaction costs and risks to vendors' operations. This is critical to the stabilization of the informal sector.

What is more, strategic alignment of spatial allocation is critical in enhancing vendors' productivity and urban management results (Zhang & Shao, 2024). The Dodoma experience also shows that spatial allocation could lead to multidimensional benefits if appropriately aligned with commercial flows and accessibility. Recent evidence shows that regulatory interventions could lead to exclusionary results if enforcement mechanisms are not aligned with vendors' economic reality (Herlina et al., 2025). This comparative analysis implies that enforcement mechanisms in Dodoma should remain responsive to vendors' locational preferences and economic needs in order to avoid undermining policy results. This is where institutional theory's focus on regulative mechanisms' legitimacy and flexibility becomes apparent, suggesting that policies are more likely to be effective if they are aligned with actors' lived experiences.

On the normative aspect, the Council continue to provide training to street vendors on how to establish, invest and keep business which has impact on their income and local economic development, though not all street vendors have opportunity to receive training. In addition, capacity-building interventions can result in higher incomes and skill acquisition among informal workers, though the rate of return varies based on accessibility and other enabling factors (Torm, 2024). This finding, therefore, indicates that increasing training coverage for vendors in Dodoma could improve vendors' ability to effectively utilize financial support for improved business performance. Normative support in the form of training influences behavioral change through

its effects on vendors' business practices. However, the low coverage limits the institutionalization of the norms to the entire vendor population.

Moreover, cognitively, the findings show that the Council continuously recognizes and supports street vendors, and there is situation stabilization which is essential for business performance. This cognitive understanding may, in turn, contribute to an increase in vendors' confidence and compliance with formal regulations, thereby enhancing the effectiveness of spatial and regulatory interventions.

The study also found that the strategies implemented by the City Council of Dodoma to support street vendor's financial support, training programs, and designated business spaces have shown varying levels of effectiveness (Bhowmik, 2012). Financial support was deemed helpful, though additional guidance or complementary services may be needed. The findings of this study suggest that, while financial support may not automatically lead to vendors' business growth without capacity-building support, capacity-building interventions may strengthen vendors' capacity to utilize available capital for business growth.

Similarly, vendors found training programs beneficial. On the other hand, training interventions appear to improve vendors' capacity for internal business management. However, this may depend on other external factors, such as vendors' access to capital and demand for products. This finding highlights the interdependency of capacity and financial interventions.

Positive impacts were also reported from operating in designated business spaces, indicating this to be the most effective strategy. Unlike other interventions, formalization of trading spaces simultaneously addresses vendors' and the city's economic and governance productivity. Spatial formalization reduces conflict, and increases customer visibility, thereby creating multidimensional benefits for vendors and the city. This benefit extends beyond vendors' income generation to include aspects of maintaining order and legitimacy.

Additionally, the design of designated trading areas directly affects vendors' incomes, mobility, and compliance (Thin et al., 2025). These findings, therefore, emphasize the need for designing designated trading areas in Dodoma based on market dynamics for improved and sustained compliance. The findings also highlight a need for improved implementation and broader accessibility to ensure all vendors can benefit (Chen, 2018). This study suggests that a coordinated and integrated support model of providing vendors with access to capital, training, and economically viable trading spaces may have a greater chance of creating sustainable and inclusive outcomes for vendors and the city.

Furthermore, the study identified several challenges faced by the City Council of Dodoma in allocating street vendors to designated business areas. A majority of respondents acknowledged difficulties in identifying suitable locations due to limited space, competing land uses, and urban planning constraints (Mramba, 2022). These structural constraints directly

impact the scalability of spatial interventions and may be a reason why some vendors resist formalization into the spatially organized trading areas.

In relation to these concepts, recent evidence further confirms that policies for relocating vendors who fail to consider vendors' spatial economic strategies often receive resistance (Herlina et al., 2025; Thinh et al., 2025). These findings, therefore, indicate that future policies for improving vendors' compliance and economic performance in Dodoma should consider incorporating mechanisms for consulting vendors' experiential knowledge for improved spatial economic decisions. Also, most respondents cited a shortage of available business spaces, with the Machinga Complex unable to accommodate the growing number of vendors, forcing many into unauthorized areas. This deficit creates a supply-demand imbalance in trading infrastructure, which undermines enforcement efforts and the stabilizing impact of spatial formalization.

Furthermore, most of respondents reported issues with enforcing the use of designated spaces, as some vendors prefer high-traffic locations or resist relocation Dejene et al (2023). Vendor resistance is a rational economic response given the direct impact of proximity to customers on income generation. Thus, any enforcement approach not taking into consideration the market dynamics through spatial planning may actually work against compliance. On the other hand, key informants acknowledged ongoing challenges such as limited resources, outreach gaps, and enforcement issues indicating a need to expand coverage and improve implementation to ensure inclusive support for all vendors (Roever & Skinner, 2016).

Overall, while the initiatives prove considerable promise, the findings highlight the need for improved urban planning, expansion of vendor infrastructure, and stronger enforcement strategies, alongside enhanced communication and stakeholder engagement to ensure sustainable and inclusive space allocation. Future spatial interventions must therefore be designed with the incorporation of a planning mechanism that aligns vendor economic incentives with urban governance objectives, thereby enhancing compliance, sustainability, and economic integration. The design of interventions should take into consideration the regulative, normative, and cognitive pillars for institutional effectiveness.

Conclusions and Recommendations

The City Council has supported vendors through financial assistance, training programs, and designated business spaces, with mixed effectiveness. However, key challenges include space shortages, difficulties in identifying suitable locations, and weak enforcement. Based on these findings, the study recommends the following. In the short-term, the City Council should increase outreach and streamline the distribution of financial support to ensure more vendors, especially those currently excluded, can access soft loans. This includes creating simplified application processes and awareness campaigns to promote financial inclusion. Also, the

Council should expand training programs and their content to meet the diverse needs of vendors with varying educational backgrounds. Programs should focus on practical business skills, financial literacy, and customer service, with flexible delivery methods to accommodate vendor schedules.

Moreover, in the long-run the Council should invest in constructing additional market areas or upgrading existing ones, particularly in high-demand zones to address the shortage of vendor spaces. Strategic urban planning and partnerships with private sector or development partners could help in mobilizing resources for this initiative. Additionally, the City Council should integrate street vending into city planning frameworks by conducting regular needs assessments, mapping vendor locations, and engaging stakeholders in planning processes. This will help in identifying suitable areas and ensuring sustainable, inclusive urban development. These recommendations would be considered by other African countries suffering from the same challenge.

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Informed consent

Informed consent was obtained from all participants and/or their legal guardians to participate in the study. The consent from participants was granted through the consent form which was signed by them/written consent.

Data Availability Statement

The data supporting the findings of this study are available from the corresponding author, upon reasonable request.

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