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INVESTIGATION INTO THE EFFECTS OF INFORMAL STREET VENDING ON MARKET ORGANIZATION IN LILONGWE CITY MARKET (LIZULU), MALAWI

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ABSTRACT

Informal street vending is a prominent feature of urban economies in Sub-Saharan Africa, providing essential livelihoods while presenting significant challenges to urban governance and market management. This study examined the effects of informal street vending on market organization in Lilongwe City Market (Lizulu), Malawi. Adopting a descriptive cross-sectional quantitative design, primary data were collected from 60 key market stakeholders—including informal vendors, formal traders, market committee members, and city council officials—using structured questionnaires. Data were analysed using descriptive statistics, Pearson correlation, and multiple linear regression. Findings reveal that formal unemployment, household poverty, and rural-urban migration are the primary drivers of informal vending. Concurrently, informal vending significantly contributes to aisle congestion, waste accumulation, and unfair competition for tax-paying formal traders. Multiple regression analysis demonstrated that socio-economic growth factors (β= 0.468, $p < 0.001$) and regulatory capacity constraints (β= 0.325, $p = 0.001$) jointly explain 51.0\% of the variance in market organization disruption ($R = 0.510$, $F = 29.663$, $p < 0.001$). The study concludes that eviction-driven approaches are ineffective in isolation. It recommends upgrading market infrastructure, implementing participatory governance, simplifying micro-enterprise licensing, and establishing designated vending zones to harmonize informal livelihoods with orderly urban management.

1. INTRODUCTION

1.1 Background of the Study

The informal economy has become one of the largest sources of employment in developing countries and has increasingly emerged as a fundamental component of urban economic development across the global South. Among the various manifestations of informal economic activities, street vending has emerged as one of the fastest-growing sources of self-employment, particularly in cities experiencing rapid urbanization, population growth, and persistently high unemployment levels. Street vendors provide affordable goods and services to urban consumers while simultaneously creating livelihood opportunities for millions of low-income households (Chen, 2022). Consequently, informal street vending has become an indispensable component of urban economies despite operating largely outside formal regulatory frameworks and institutional arrangements.

Globally, the International Labour Organization (ILO, 2023) estimates that more than two billion people earn their livelihoods through informal economic activities, representing approximately 61 percent of the world's employed population. The informal sector contributes significantly to employment generation, poverty reduction, food security, and entrepreneurship development, particularly in developing economies where the formal sector has limited capacity to absorb the growing labour force. As urban populations continue to increase exponentially, informal street vending has expanded alongside formal commercial activities, creating both economic opportunities and complex management challenges for city authorities and urban planners.

In many African countries, informal street vending represents one of the most accessible forms of entrepreneurship because it requires relatively little startup capital, minimal formal education, and few entry barriers. The World Economic Forum (2023) reports that Micro, Small and Medium Enterprises (MSMEs), including informal businesses, account for more than 80 percent of employment across Africa and contribute substantially to national Gross Domestic Product (GDP). However, the rapid expansion of informal trading has created increasing pressure on urban infrastructure, public spaces, transportation systems, sanitation facilities, and organized markets. As a result, municipal authorities throughout the continent continue to struggle with the challenge of balancing economic inclusion with effective urban governance and market management.

The situation in Malawi mirrors these continental trends. The country experiences persistently high levels of unemployment, widespread poverty, rapid rural-urban migration, and limited formal employment opportunities across both public and private sectors. These socio-economic conditions have contributed significantly to the growth of informal economic activities, particularly street vending in urban centres. According to the National Statistical Office of Malawi (2024), the informal economy accounts for a substantial proportion of employment and household income across urban centres. In Lilongwe City, informal street vendors occupy roadsides, pavements, bus terminals, and spaces surrounding formal markets, including Lizulu Market. While these activities improve household livelihoods and enhance access to affordable consumer goods for urban residents, they also generate considerable challenges for market organization and urban management.

1.2 The Research Problem

Lizulu Market represents one of the busiest commercial centres in Lilongwe City, accommodating both formally registered traders and informal street vendors operating in proximity. The coexistence of these two groups has generated persistent concerns regarding market congestion, competition for customers, sanitation management, traffic obstruction, inadequate trading space, and enforcement of market regulations. Formal traders frequently express concerns regarding unfair competition from unlicensed vendors who avoid the costs associated with formal business registration, licensing fees, taxes, and rental charges. Meanwhile, local authorities face continuous difficulties in implementing regulations without negatively affecting vulnerable populations that depend on street vending for their daily survival and household sustenance.

Despite numerous interventions by Lilongwe City Council, including periodic relocation exercises and enforcement campaigns, informal vendors frequently return to previous trading locations because customer accessibility and sales volumes remain substantially higher outside designated market areas. This recurring pattern demonstrates that regulatory interventions that ignore underlying economic realities rarely achieve long-term success. The persistence of informal trading activities despite continuous enforcement efforts raises important questions about the effectiveness of current market management approaches and the need for more comprehensive policy frameworks.

Although numerous studies have examined informal sector growth, urban poverty, and street vending in developing countries, relatively few have specifically investigated how informal street vending influences the organization and functioning of formal urban markets in Malawi. Existing studies have largely focused on employment generation, livelihoods, poverty alleviation, and regulatory enforcement, while limited empirical attention has been devoted to understanding how informal vending affects market structure, governance, accessibility, operational efficiency, and stakeholder relationships within organized markets such as Lizulu. This knowledge gap limits policymakers' ability to develop balanced regulatory frameworks that simultaneously support economic livelihoods and sustainable urban development.

1.3 Purpose of the Study

The purpose of this study was to investigate the effects of informal street vending on market organization in Lilongwe City Market (Lizulu), Malawi. The study sought to provide empirical evidence that would inform policy development and market management practices in urban Malawi.

1.4 Specific Objectives

The study was guided by the following specific objectives:

To determine the factors contributing to the growth of informal street vending in Lilongwe City Market (Lizulu).

To assess the effects of informal street vending on market organization in Lilongwe City Market (Lizulu).

To identify the regulatory challenges associated with managing informal street vending in Lilongwe City Market (Lizulu).

To propose strategies for improving market organization in Lilongwe City Market (Lizulu).

1.5 Research Questions

The study sought to answer the following research questions:

What factors contribute to the growth of informal street vending in Lilongwe City Market (Lizulu)?

What are the effects of informal street vending on market organization in Lilongwe City Market (Lizulu)?

What regulatory challenges are associated with managing informal street vending in Lilongwe City Market (Lizulu)?

What strategies can be proposed for improving market organization in Lilongwe City Market (Lizulu)?

1.6 Significance of the Study

This research makes several significant contributions to knowledge and practice:

Academic Contribution: The findings contribute to the growing body of literature on urban informal economies, market governance, and business management in developing countries.

Policy Application: The study provides evidence-based recommendations for policymakers, Lilongwe City Council, market authorities, development partners, and urban planners seeking to promote inclusive, efficient, and sustainable market management systems while safeguarding the livelihoods of informal traders.

Practical Utility: The research offers practical insights for market administrators and business practitioners regarding the management of urban trading spaces.

Future Research: The study provides a empirical foundation for future research on informal economic activities and urban governance in Malawi and similar developing country contexts.

2. LITERATURE REVIEW AND THEORETICAL FRAMEWORK

2.1 Conceptualizing Informal Street Vending

Informal street vending is one of the most widespread forms of self-employment in developing countries and continues to play a fundamental role in supporting urban livelihoods. Street vendors typically sell goods and services in public spaces without permanent trading structures or formal business registration. Although their activities often operate outside established regulatory systems, they contribute significantly to local economies by providing affordable goods, generating employment, and creating entrepreneurial opportunities for economically disadvantaged populations (Bhowmik, 2022).

According to the International Labour Organization (ILO, 2023), the informal economy accounts for approximately 61% of global employment, with Sub-Saharan Africa recording some of the highest levels of informal economic participation. Informal street vending has become an important survival strategy in countries where formal employment opportunities remain limited. The World Bank (2024) similarly reports that rapid urbanization, population growth, and persistent unemployment continue to accelerate the expansion of informal trading activities throughout developing economies.

Scholars increasingly argue that informal street vending should not merely be viewed as an illegal activity but rather as an economic response to structural inequalities within labour markets. Chen (2022) explains that informal employment reflects deficiencies within formal economic systems rather than individual unwillingness to comply with regulations. Consequently, sustainable urban management requires balancing regulatory enforcement with inclusive economic policies that recognize the livelihood needs of vulnerable populations.

2.2 Understanding Market Organization

Market organization refers to the systematic arrangement, regulation, management, and coordination of commercial activities within designated market spaces. It encompasses the allocation of trading areas, consumer movement, enforcement of regulations, sanitation management, infrastructure development, security provision, and conflict resolution among traders (Kamlongera, 2011). Well-organized markets improve operational efficiency, customer accessibility, business competitiveness, and public health while creating favourable environments for sustainable economic growth.

However, the rapid expansion of informal street vending frequently challenges market organization. Unauthorized occupation of trading spaces, road reserves, pedestrian walkways, and market entrances often creates congestion and disrupts planned market layouts. These developments increase operational costs for market authorities while reducing the effectiveness of urban planning initiatives. Chinsinga (2016) observed that the uncoordinated expansion of informal trading activities in Malawian cities has significantly complicated urban management and market administration.

2.3 Global Perspectives on Informal Street Vending

Globally, informal street vending contributes significantly to employment creation, entrepreneurship development, and poverty reduction. In Asia, Latin America, and Africa, millions of households rely on informal trading as their principal source of income. The Organisation for Economic Co-operation and Development (OECD, 2023) notes that informal enterprises serve as important entry points into entrepreneurship, particularly among women, youth, and low-income populations who face barriers to formal employment.

In countries such as India, Brazil, Indonesia, and Mexico, governments have increasingly shifted from eviction-based approaches towards inclusive urban management strategies that integrate informal vendors into city planning. These strategies include designated vending zones, simplified licensing procedures, improved infrastructure, and participatory governance involving vendor associations (Bhowmik, 2022). Studies conducted in India found that recognizing informal vendors through legal frameworks significantly reduced conflicts between traders and municipal authorities while improving compliance with market regulations. Similarly, research conducted in Brazil demonstrated that organized vending spaces improved sanitation, consumer safety, and revenue collection without eliminating livelihood opportunities.

Despite these positive developments, many cities continue to experience conflicts arising from competition over public spaces. Urban planners argue that rapid population growth frequently outpaces infrastructure development, resulting in overcrowded commercial centres where formal and informal businesses compete for limited space. Consequently, market congestion remains one of the most persistent urban management challenges worldwide (United Nations, 2023).

2.4 Informal Street Vending in Africa

Across Africa, informal street vending constitutes one of the largest sources of employment outside agriculture. High youth unemployment, economic instability, rural-to-urban migration, and limited industrialization have contributed significantly to the rapid expansion of informal markets (African Development Bank, 2024). The African Development Bank (2024) estimates that nearly 85% of employment across Africa occurs within the informal economy. Street vending provides affordable consumer goods while simultaneously supporting household incomes among economically vulnerable populations.

Research conducted in South Africa found that informal traders contribute substantially to food distribution systems, particularly within low-income urban communities. Nevertheless, unmanaged street vending contributes to congestion, environmental pollution, competition with licensed traders, and increasing pressure on municipal infrastructure. In Kenya, Muthuri (2025) observed that ineffective coordination between county governments and trader associations contributed to continuous conflicts regarding trading spaces. Similar findings were reported in Ghana, where inadequate market infrastructure forced vendors to occupy roadsides and pedestrian pathways despite periodic government relocation programmes.

In Nigeria, Ayomide Gabriel et al. (2023) concluded that regulatory enforcement alone cannot effectively address informal trading without simultaneously expanding employment opportunities and improving urban planning. The researchers recommended integrated policy approaches combining infrastructure investment, simplified business registration, and inclusive governance systems. These African experiences demonstrate that sustainable market organization depends upon balancing economic inclusion with effective regulatory frameworks rather than relying solely on punitive enforcement measures.

2.5 Informal Street Vending in Malawi

In Malawi, informal street vending has expanded considerably over the past two decades due to increasing unemployment, widespread poverty, rural-urban migration, and limited industrial growth. The National Statistical Office of Malawi (2024) estimates that the informal economy contributes substantially to household income and urban employment, particularly among economically active youth and women. Lilongwe, Blantyre, Mzuzu, and Zomba have experienced significant increases in informal trading activities around established markets, transport terminals, and major commercial centres.

Previous studies have shown that informal traders often operate without business licenses, permanent trading structures, or access to essential services such as sanitation, waste disposal, water supply, and security. Consequently, municipal authorities face increasing difficulties in maintaining orderly market environments. Kamlongera (2011) argued that informal street vending in Malawi should be understood primarily as a livelihood strategy rather than criminal behaviour. Similarly, Chinsinga (2016) found that unemployment and limited economic opportunities remain the principal drivers of informal trading across Malawian cities.

Kadzandira (2017) further observed that informal vending contributes significantly to poverty reduction through income generation while simultaneously increasing competition between licensed and unlicensed traders. Banda and Kalemba (2018) reported that weak enforcement capacity, inadequate market infrastructure, and inconsistent policy implementation continue to undermine effective regulation of informal trading activities. Despite numerous relocation exercises undertaken by Lilongwe City Council, informal vendors frequently return to previous trading locations because customer accessibility and sales volumes remain substantially higher outside designated market areas.

2.6 Factors Contributing to the Growth of Informal Street Vending

The growth of informal street vending results from multiple interconnected socio-economic factors. The most frequently identified driver is unemployment (ILO, 2023). When formal employment opportunities remain scarce, individuals establish small informal businesses requiring relatively little startup capital. Street vending therefore functions as an accessible alternative source of income for unemployed populations. Poverty similarly encourages informal entrepreneurship, as low-income households often depend upon daily trading activities to meet immediate consumption needs (World Bank, 2024).

Rapid rural-to-urban migration also contributes significantly to the expansion of informal trading. Individuals migrating to urban centres frequently encounter limited employment opportunities, forcing many into informal economic activities (Chinsinga, 2016). Limited access to finance further restricts business formalization, as small entrepreneurs often lack collateral required to obtain commercial loans, making informal businesses the only viable entrepreneurial option. In addition, population growth, rising consumer demand for inexpensive goods, and inadequate urban planning collectively increase the concentration of informal vendors within commercial centres. These structural factors indicate that informal street vending reflects broader economic conditions rather than individual preferences alone.

2.7 Effects of Informal Street Vending on Market Organization

Although informal street vending generates important socio-economic benefits, it also creates considerable challenges for organized market management. One major consequence is market congestion (Banda & Kalemba, 2018). Unauthorized occupation of trading spaces obstructs pedestrian movement, limits customer accessibility, and reduces overall market efficiency. Street vending also intensifies competition between licensed and unlicensed traders. Formal businesses incur licensing fees, taxes, rental charges, and regulatory compliance costs that informal traders frequently avoid, creating perceptions of unfair competition.

Environmental sanitation represents another significant concern. High concentrations of informal vendors frequently generate waste accumulation due to inadequate refuse collection facilities. Poor sanitation negatively affects public health while increasing maintenance costs for municipal authorities (Kadzandira, 2017). Traffic congestion similarly increases where vendors occupy roadsides, bus terminals, and pedestrian pathways. Such activities interfere with transportation systems and emergency service accessibility. Security concerns have also been associated with overcrowded market environments, as high population densities complicate surveillance, increasing opportunities for theft, counterfeit trading, and other unlawful activities.

Nevertheless, informal vending simultaneously generates positive economic outcomes. Vendors improve consumer access to affordable products, stimulate local supply chains, create employment opportunities, and contribute indirectly to urban economic growth (Kamlongera, 2011). Consequently, policymakers increasingly recognize the necessity of balancing economic inclusion with effective market regulation.

2.8 Regulatory Challenges

Regulating informal street vending remains one of the most difficult responsibilities facing municipal governments throughout developing countries. Weak institutional capacity frequently limits effective enforcement of market regulations, as local authorities often lack adequate financial resources, personnel, and infrastructure to monitor expanding informal markets (Banda & Kalemba, 2018). Political interference similarly complicates enforcement efforts. During election periods, regulatory interventions are frequently relaxed due to political considerations, reducing long-term policy consistency.

Inadequate market infrastructure further undermines relocation programmes. Where designated trading spaces lack sufficient customer traffic, sanitation facilities, security, or accessibility, vendors frequently return to unauthorized locations (Muthuri, 2025). Limited stakeholder participation also contributes to policy failure, as excluding vendor associations from planning processes often reduces compliance because regulations fail to reflect practical trading realities. These challenges demonstrate that effective regulation requires collaborative governance involving municipal authorities, market committees, trader associations, and community representatives.

2.9 Theoretical Framework: Dual Economy Theory

This study is guided by the Dual Economy Theory, originally developed by Arthur Lewis (1954). The theory explains the coexistence of two interconnected economic sectors within developing countries: the formal sector and the informal sector. The formal sector consists of businesses operating under government regulation, characterized by business registration, taxation, legal protection, structured employment, and compliance with statutory requirements. In contrast, the informal sector comprises unregistered enterprises operating with minimal regulation, limited access to formal finance, and flexible organizational structures.

Lewis (1954) argued that developing economies typically possess surplus labour within traditional sectors. Where industrial expansion fails to absorb this labour force, unemployed individuals create informal economic activities as survival mechanisms. Street vending therefore emerges not because individuals reject formal employment but because formal employment opportunities remain insufficient. Within the context of Lizulu Market, the Dual Economy Theory explains why informal traders continue occupying public spaces despite repeated regulatory interventions. Persistent unemployment, poverty, and rural-urban migration continually replenish the informal sector, making enforcement alone insufficient to eliminate street vending.

The theory further explains the interdependence between formal and informal businesses. Many informal traders purchase goods from licensed wholesalers operating within formal markets before reselling products directly to consumers. Consequently, competition and cooperation coexist simultaneously between the two sectors. The Dual Economy Theory therefore provides an appropriate conceptual foundation for analysing how informal street vending influences market organization while recognizing the broader structural conditions driving informal economic participation.

3. METHODOLOGY

3.1 Research Design

This study adopted a quantitative research approach employing a descriptive cross-sectional research design to investigate the effects of informal street vending on market organization in Lilongwe City Market (Lizulu), Malawi. A quantitative approach was considered appropriate because it enables the collection of measurable data that can be analysed statistically to establish patterns, relationships, and trends among the study variables. Quantitative methods also improve objectivity, reliability, and the generalizability of findings by minimizing researcher bias and allowing empirical testing of research objectives (Creswell & Creswell, 2023).

The descriptive cross-sectional design was selected because data were collected from respondents at a single point in time without manipulating any variables. This design is particularly suitable for studies that seek to describe existing conditions and examine relationships among variables within a natural setting. Unlike experimental or longitudinal designs, cross-sectional studies provide a cost-effective and efficient means of collecting data from multiple respondents while capturing the prevailing characteristics of the research problem (Saunders et al., 2023). Previous studies in business management, urban planning, and informal economy research have successfully employed similar designs to investigate market dynamics and policy-related issues.

3.2 Study Area

The study was conducted at Lilongwe City Market (Lizulu), one of the largest and most active urban markets in Lilongwe City, Malawi. Lizulu Market accommodates both formal and informal traders and serves thousands of consumers daily. The market is strategically located within the city and functions as a major commercial centre for agricultural produce, groceries, household goods, clothing, electronics, and various consumer products.

The market was selected because it experiences significant levels of informal street vending alongside formal trading activities. The coexistence of licensed traders and informal vendors makes Lizulu Market an appropriate setting for examining how informal trading influences market organization, accessibility, congestion, sanitation, business competition, and regulatory enforcement. Furthermore, the continuous interaction between market authorities, city council officials, formal traders, and informal vendors provides an ideal environment for investigating the institutional and socio-economic factors affecting urban market management.

3.3 Target Population

The target population consisted of individuals directly involved in the operation and management of Lilongwe City Market. Specifically, the population comprised:

Informal street vendors

Formal market traders

Market committee members

Lilongwe City Council officials responsible for market administration

These groups were selected because they possess direct experience with the organization, regulation, and day-to-day operation of the market. Informal vendors provided information regarding livelihood strategies and operational challenges, while formal traders offered perspectives on competition, compliance, and market efficiency. Market committee members and city council officials contributed institutional knowledge concerning regulatory enforcement, infrastructure management, and policy implementation. Based on available market records, the accessible study population consisted of approximately 70 key stakeholders, making it manageable for statistical analysis while adequately representing the major stakeholder groups.

3.4 Sampling Technique

The study employed a combination of purposive sampling and simple random sampling:

Purposive Sampling: Used to select key informants, including market committee members and Lilongwe City Council officials. These individuals were deliberately selected because of their specialized knowledge and direct involvement in market governance, regulation, and enforcement activities. Their experience enabled the researcher to obtain reliable information concerning regulatory challenges, market administration, and policy implementation.

Simple Random Sampling: Employed to select informal street vendors and formal traders. This sampling technique ensured that every eligible trader had an equal probability of being included in the study, thereby reducing selection bias and improving the representativeness of the sample.

The combination of purposive and probability sampling techniques strengthened the credibility of the study by integrating expert institutional perspectives with representative responses from the broader trading community (Saunders et al., 2023).

3.5 Sample Size

The study adopted a sample size of 60 respondents, calculated using Yamane's (1967) sample size determination formula for finite populations:

$$n + \frac{N}{1+N(e)}2$$

Where:

n = Sample size

N = Population size (70)

e = Margin of error (0.05)

Substituting the values:

$$n = \frac{70}{1+70(0.05)}2 = \frac{70}{1+70(0.0025)} = \frac{70}{1.175} = 59.57 \approx 60$$

Accordingly, a total of 60 respondents participated in the study. The sample distribution was composed as follows: 25 informal street vendors (41.7%), 25 formal market traders (41.7%), 6 market committee members (10.0%), and 4 Lilongwe City Council officials (6.6%). This sample size provided sufficient statistical power while remaining practical given the available resources and timeframe.

3.6 Data Collection Instrument

Primary data were collected using a structured questionnaire designed around the study objectives and informed by previous empirical literature on informal street vending and market organization. The questionnaire consisted of two sections:

Section A: Collected demographic information including gender, age, education level, respondent category, and years of business operation.

Section B: Measured the major study variables using standard 5-point Likert scale statements ranging from 1 (Strongly Disagree) to 5 (Strongly Agree). The Likert scale was selected because it allows respondents to express the intensity of their agreement or disagreement with specific statements, providing interval-level data suitable for parametric statistical analysis.

3.7 Data Collection Procedure

Data collection was conducted over two weeks at Lizulu Market. The researcher personally administered the questionnaires to ensure clear explanation of items and to achieve a high response rate. Self-administration was particularly beneficial for respondents who required assistance in interpreting questions or reading English phrasing. Participation was entirely voluntary, and respondents were assured of the confidentiality and anonymity of their responses. Out of 60 questionnaires distributed, all 60 were fully completed and returned, representing a 100% response rate.

3.8 Validity and Reliability

To ensure construct and content validity, the questionnaire items were developed based on established theoretical frameworks and empirical literature. The draft instrument was reviewed by the research supervisor and academic experts in business administration to evaluate clarity, relevance, and alignment with the research objectives. Necessary modifications were implemented based on expert feedback before field administration.

Instrument reliability was evaluated using Cronbach's alpha coefficient (α) to assess internal consistency. A pre-test was conducted with 10 respondents outside the main sample (from Kawale Market). The overall Cronbach's alpha score for the construct scales was 0.842. Since this value exceeds the standard academic threshold of 0.70 (Hair et al., 2019), the research instrument was considered reliable for quantitative data collection.

3.9 Data Analysis

Data were cleaned, coded, and entered into Statistical Package for the Social Sciences (SPSS) Version 27 for quantitative analysis. Descriptive statistics—including frequency distributions, percentages, means, and standard deviations—were computed to summarize demographic attributes and describe respondent perceptions across the main research objectives.

Inferential statistical analyses were performed to test relationships and impact:

Pearson Correlation Analysis (r): Conducted to examine the strength and direction of linear relationships between informal street vending factors, regulatory challenges, and market organization dimensions.

Multiple Linear Regression Analysis: Estimated to evaluate the joint predictive impact of informal street vending drivers (X_1) and regulatory challenges (X_2) on market organization (Y). The multiple regression model was expressed as:

$Y=\beta_0+\beta_1X_1+\beta_2X_2+\varepsilon$

Where:

Y = Market Organization

B_0 = Constant term

B_1, β_2 = Regression coefficients

X_1 = Growth Factors of Informal Vending

X_2= Regulatory Enforcement Challenges

ε = Error term

3.10 Ethical Considerations

Ethical clearance was obtained through DMI-St. John the Baptist University's academic clearance channels, and introductory permissions were granted by Lilongwe City Council and Lizulu Market Committee. Informed consent was obtained from all participants before data collection. Participants were informed of the purpose of the study, their right to withdraw at any time without penalty, and the strict confidentiality with which their identity and responses would be treated. No personal identifiers (such as names or specific stall numbers) were recorded on the questionnaire instruments.

4. RESULTS AND DISCUSSION

4.1 Demographic Characteristics of Respondents

The demographic breakdown of the 60 respondents is summarized in Table 1 below.

Table 1: Demographic Profile of Respondents. (n=60)

Demographic Category	Classification	Frequency (f)	Percentage (%)
Gender	Male	34	56.7
	Female	26	43.3
Age Group	18–29 years	22	36.7
	30–39 years	21	35.0
	40–49 years	11	18.3
	50 years and above	6	10.0
Education Level	No Formal Education	4	6.7
	Primary Education	16	26.7
	Secondary Education	28	46.7
	Tertiary Education	12	20.0
Respondent Role	Informal Street Vendor	25	41.7
	Formal Market Trader	25	41.7
	Market Committee Member	6	10.0
	City Council Official	4	6.6
Years Operating/In Role	Less than 2 years	12	20.0
	2–5 years	23	38.3
	6–10 years	16	26.7
	More than 10 years	9	15.0

Source: Field Data (2026)

The demographic profile reveals a relatively balanced gender distribution (56.7% male and 43.3% female), demonstrating active participation of both men and women in urban market operations. The sample shows a young to middle-aged demographic, with 71.7% of respondents falling between 18 and 39 years old. This reflects national youth demographics and highlights youth reliance on urban informal economies for employment.

In terms of education, 46.7% possessed secondary education and 20.0% held tertiary qualifications (predominantly city officials and formal business owners), indicating that formal employment scarcity affects even educated populations, pushing them toward informal trading. Over 80% of respondents had worked or operated within Lizulu Market for two years or more, demonstrating substantial contextual experience.

4.2 Factors Contributing to the Growth of Informal Street Vending

The first objective of the study was to determine the factors contributing to the growth of informal street vending in Lilongwe City Market (Lizulu). Table 2 presents the descriptive statistics derived from a 5-point Likert scale (1=Strongly Disagree,5=Strongly Agree).

Table 2: Factors Driving Informal Street Vending Growth. (n=60)

Statement / Driver	Mean ($\bar{X}$)	Std. Deviation (SD)	Ranking
High levels of formal unemployment push people into street vending	4.58	0.62	1
Widespread household poverty forces reliance on daily informal trading	4.45	0.70	2
Rapid rural-to-urban migration increases urban vendor population	4.28	0.78	3
Low capital requirements make street vending easy to enter	4.22	0.81	4
Lack of access to formal credit forces people into low-capital vending	3.98	0.89	5
High demand from urban consumers for cheap roadside products	3.85	0.94	6
High rental fees for formal stalls inside the market drive vendors outside	3.77	1.02	7
Composite Index	**4.16**	**0.82**	—

Source: Field Data (2026)

The overall mean score for factors contributing to informal street vending is 4.16 (SD=0.82), signifying strong overall agreement among respondents that structural socio-economic constraints drive informal vending growth.

High formal unemployment ($\bar{X}$=4.58, SD=0.62) and widespread household poverty ($\bar{X}$=4.45, SD=0.70) emerged as the primary drivers. Rural-urban migration ($\bar{X}$=4.28) and low capital requirements ($\bar{X}$=4.22) also scored highly. These findings confirm the assertions of the Dual Economy Theory (Lewis, 1954): when the formal economy fails to generate sufficient wage employment, surplus labour transitions into informal activities as a survival mechanism. These results align with previous observations by Chinsinga (2016) and ILO (2023), confirming that informal trading in Malawian urban centres is primarily a livelihood survival strategy rather than a deliberate effort to evade civic duty.

4.3 Effects of Informal Street Vending on Market Organization

The second objective evaluated how informal street vending impacts market organization within and around Lizulu Market.

Table 3: Perceived Effects on Market Organization. (n=60)

Aspect of Market Organization	Mean ($\bar{X}$)	Std. Deviation (SD)	Interpretation
Severe pedestrian walkway and aisle congestion	4.52	0.68	Strongly Agree
Accumulation of unmanaged solid waste and poor sanitation	4.38	0.74	Strongly Agree
Unfair competition experienced by formal tax-paying traders	4.27	0.85	Strongly Agree
Obstruction of emergency accesses and vehicular traffic flow	4.18	0.81	Agree
Escalation of security concerns, theft, and pickpocketing	3.92	0.92	Agree
Enhanced affordable access to goods for low-income consumers	4.12	0.83	Agree
Provision of primary household income for vulnerable families	4.40	0.72	Strongly Agree

Source: Field Data (2026)

The data reveals a dual dynamic: informal vending generates negative organizational disruptions alongside positive socio-economic benefits.

On market structure and operations, respondents strongly agreed that street vending causes severe physical congestion ($\bar{X}$=4.52) and exacerbates sanitation problems ($\bar{X}$=4.38). Unfair competition ($\bar{X}$=4.27) was highlighted by formal traders, who noted that informal vendors set up along prime foot-traffic pathways outside market gates, intercepting buyers before they enter formal stalls where traders pay rent and municipal taxes.

Conversely, respondents recognized the economic role of informal vending, agreeing strongly that it provides vital income for vulnerable families ($\bar{X}$=4.40) and offers affordable products to urban consumers ($\bar{X}$=4.12). This duality supports the findings of Bhowmik (2022) and Kadzandira (2017): while informal vending undermines urban administrative order, it remains a crucial economic safety net.

4.4 Regulatory Challenges in Managing Informal Vending

The third objective addressed the institutional and operational bottlenecks encountered in managing street vending around Lizulu Market.

Table 4: Regulatory and Governance Challenges. (n=60)

Regulatory Challenge Statement	Mean ($\bar{X}$)	Std. Deviation (SD)	Ranking
Inadequate funding and enforcement capacity of City Council	4.42	0.72	1
Political interference during enforcement and relocation drives	4.35	0.78	2
Poor infrastructure in designated relocation vending spaces	4.23	0.81	3
Inconsistent policy enforcement (evictions followed by laxity)	4.15	0.86	4
Excluded vendor participation in market policy development	3.95	0.91	5

Source: Field Data (2026)

The principal regulatory challenge identified was the limited enforcement capacity and resources of the Lilongwe City Council ($\bar{X}$=4.42, SD=0.72). Political interference ($\bar{X}$=4.35) ranked second; respondents noted that enforcement directives are often suspended during election cycles, creating inconsistency. Inadequate infrastructure at designated alternative vending sites ($\bar{X}$=4.23) explains why relocation exercises repeatedly fail: vendors abandon sites with poor foot traffic or lacking basic amenities and return to Lizulu's perimeter. These empirical findings support earlier conclusions by Banda and Kalemba (2018) regarding municipal capacity constraints in Malawi.

4.5 Inferential Statistical Analysis

Pearson Correlation Analysis

Pearson correlation coefficients (r) were computed to evaluate relationships between key study constructs:

Growth Factors of Informal Vending (X_1)

Regulatory Enforcement Challenges (X_2)

Market Organization Disruption (Y)

Table 5: Pearson Correlation Matrix.

Constructs	Growth Factors (X_1)	Regulatory Challenges (X_2)	Market Disruption (Y)
Growth Factors (X_1)	1.000		
Regulatory Challenges (X_2)	0.512	1.000	
Market Disruption (Y)	0.638	0.584	1.000

Correlation is significant at the 0.01 level (2-tailed).

The correlation results show statistically significant, strong positive relationships:

Between informal vending growth factors and market organization disruption ($r=0.638$, $p<0.001$). As economic pressures drive more vendors onto the streets, market layout disruptions and congestion increase correspondingly.

Between regulatory challenges and market disruption ($r=0.584$, $p<0.001$). Weak institutional enforcement and inadequate infrastructure directly correlate with disorganized market operations.

Multiple Linear Regression Analysis

A multiple linear regression analysis was conducted to assess the joint predictive influence of Growth Factors (X_1) and Regulatory Challenges (X_2) on Market Organization Disruption (Y).

Table 6: Multiple Regression Model Summary.

Model	R	R Square (R_2)	Adjusted R Square	Std. Error of the Estimate	F-Statistic	Sig. (p-value)
1	0.714	0.510	0.493	0.412	29.663	< 0.001

Predictors: (Constant), Growth Factors (X1), Regulatory Challenges (X2)

Dependent Variable: Market Organization Disruption (Y)

The model yields an R coefficient of 0.714 and an R2 of 0.510. This indicates that 51.0% of the variance in market organization disruption at Lizulu Market is explained by the combined effect of informal vending growth factors and regulatory governance challenges. The ANOVA F-statistic ($F=29.663$, $p<0.001$) confirms the overall model is statistically significant.

Table 7: Multiple Regression Coefficients.

Model Variable	Unstandardized Coefficients (β)	Std. Error	Standardized Coefficients (Beta)	t-statistic	Sig. (p-value)
(Constant)	0.812	0.285	—	2.849	0.006
Growth Factors (X_1)	0.468	0.102	0.472	4.588	< 0.001
Regulatory Challenges (X_2)	0.325	0.091	0.342	3.571	0.001

Dependent Variable: Market Organization Disruption (Y)

The regression equation is formulated as:

$Y=0.812+0.468X1+0.325X2$

Both independent variables are statistically significant predictors:

Growth Factors ($\beta=0.468$, $p<0.001$): Holding regulatory challenges constant, every unit increase in socio-economic growth drivers increases market organization disruption by 0.468 units.

Regulatory Challenges ($\beta=0.325$, $p=0.001$): Holding growth factors constant, a unit increase in regulatory and infrastructure challenges increases market disruption by 0.325 units.

5. CONCLUSION AND RECOMMENDATIONS

5.1 Conclusion

This study investigated the effects of informal street vending on market organization in Lilongwe City Market (Lizulu), Malawi. The findings confirm that informal street vending is driven primarily by structural socio-economic factors, including high formal unemployment, widespread poverty, rural-to-urban migration, and low capital barriers to entry.

While informal vending serves as a vital economic survival mechanism that supports low-income livelihoods and offers affordable goods to consumers, its unmanaged growth severely strains market organization. The study establishes that street vending around Lizulu Market contributes directly to spatial congestion, sanitation challenges, unfair competition for formal traders, and traffic obstructions. Furthermore, municipal efforts to organize the market are hindered by institutional constraints, political interference, inconsistent enforcement, and inadequate infrastructure in designated relocation spaces.

Inferential statistical analyses demonstrate that socio-economic push factors and regulatory management challenges together account for over half (51.0%) of the organizational disruptions observed at Lizulu Market. The study concludes that punitive, eviction-based approaches to street vending are ineffective when pursued in isolation. Sustainable urban market organization requires a balanced strategy that integrates economic inclusion with effective regulatory governance and infrastructure investment.

5.2 RECOMMENDATIONS

Based on the empirical findings, the study proposes the following practical and policy recommendations:

1. Upgrade Market Infrastructure and Expand Designated Vending Zones

Lilongwe City Council should invest in expanding and upgrading trading infrastructure within and adjacent to Lizulu Market. Rather than relocating vendors to remote areas lacking consumer traffic, the Council should construct multi-level vending complexes or designated, well-serviced street-vending bays equipped with basic amenities such as clean water, waste disposal bins, and electricity.

2. Implement Participatory Governance and Inclusive Dialogue

City authorities and market committees should move away from top-down enforcement and establish formal dialogue channels with informal vendor associations. Involving vendor leadership in market planning, space allocation, and rule enforcement will improve compliance and reduce operational conflicts.

3. Introduce Simplified Enterprise Registration and Flexible Fee Structures

To address unfair competition between formal and informal traders, the municipal council should implement simplified, affordable registration schemes for street vendors. Low-cost daily or monthly permit fees can formalize vendors' operations, generate municipal revenue, and enable fair spatial allocation without imposing prohibitive costs on micro-enterprises.

4. Strengthen Institutional Capacity and Policy Consistency

Lilongwe City Council should enhance its administrative and enforcement capacity by allocating adequate personnel and resources to market management. Municipal authorities must maintain consistent policy enforcement, minimizing political interference during election periods to ensure predictable, long-term market governance.

5. Integrate Informal Sector Support into Broader Urban Development Strategies

At the national level, policymakers should align urban planning strategies with informal economic realities. Programs aimed at expanding access to micro-finance, vocational training, and formal employment generation should be prioritized to address the underlying socio-economic drivers that compel individuals into survivalist street vending.

5.3 Limitations and Areas for Future Research

This study focused on Lizulu Market in Lilongwe City using a sample of 60 respondents. While the sample provided detailed empirical insights, the scope was restricted to a single urban market. Future research should extend this inquiry to other major urban markets across Malawi (such as Blantyre, Mzuzu, and Zomba) using longitudinal or mixed-method designs. Additional research could also explore the gendered dynamics of informal street vending or evaluate the financial viability of public-private partnerships in urban market infrastructure development.

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