

## **Exploring Challenges Faced by Small Business Owners on Poverty Reduction in Rural Eastern Cape, South Africa**

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**ABSTRACT** This study aimed to explore challenges encountered by the small business holders in the rural Eastern Cape Province of South Africa and examined the effects on the poverty rate. It is a survey research, and structured questionnaires were used to collect information with a simple random sampling method. Data was analyzed with the adoption of descriptive and inferential statistics. From the findings, lack of business skills, lack of access to capital, and poor marketing are various challenges faced by these business owners, which have increased the poverty level and crime rate as a result of business deterioration. In order for small businesses to be an affective instrument to reduce poverty, potential businesspersons must seek valuable advice from experienced ones and research thoroughly about the availability of business assistance programs prior to investing in small businesses.