

Effect of Business Networks on Entrepreneurial Success in Mubi Metropolis Adamawa State Nigeria

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Abstract

This study examines entrepreneurial success in Mubi Metropolis, Adamawa State, Nigeria, a post-conflict borderland economy that has experienced significant disruption from the Boko Haram insurgency between 2012 and 2015 and beyond. Despite high failure rates, a minority of entrepreneurs achieve sustained success. The problem is that existing entrepreneurial success models, developed in stable institutional environments, fail to explain success in Mubi's volatile context of weak infrastructure, informal finance, multiple taxation, and cross-border dynamics. The aim of this study is to investigate the determinants, challenges, and strategies associated with entrepreneurial success in Mubi. Specific objectives include examining the concept and dimensions of entrepreneurial success, identifying determinants, analyzing challenges, documenting sustainability strategies, and proposing a context-specific model. The study adopts a mixed-methods design involving a quantitative survey of 384 entrepreneurs and qualitative semi-structured interviews with 25 successful entrepreneurs. Findings reveal that entrepreneurial success in Mubi is driven primarily by social capital, adaptive capacity, and cross-border trade with Cameroon. Major challenges include multiple taxation, poor electricity, lingering security concerns, and limited access to formal credit. Successful entrepreneurs employ strategies such as informal savings rotation, ethnic trust-based credit, cross-border customer diversification, and political patronage. The study concludes that conventional entrepreneurial success models require modification for post-conflict borderland contexts. Recommendations include formalizing trade association roles in credit delivery, creating a single tax window for SMEs in Mubi, supporting

cross-border trade facilitation with Cameroon, and integrating informal savings groups into microfinance bank operations.

Keywords: *Entrepreneurial success, Mubi Metropolis, Adamawa State, post-conflict entrepreneurship, cross-border trade, social capital, resilience.*

1.0 Introduction

Entrepreneurship is important for economic growth, employment, and poverty reduction, while SMEs play a major role in Nigeria's economy (Bruton et al., 2021; SMEDAN, 2021; NBS, 2022). However, entrepreneurial outcomes vary by location because of differences in infrastructure, security, culture, and institutional support (Sutter et al., 2019). Mubi Metropolis is a significant commercial centre whose economy has historically depended on cross-border trade, agriculture, livestock, retail, wholesale, and transport activities (Maiyaki, 2020; Adamawa State Ministry of Commerce and Industry, 2019). Mubi is a culturally and religiously diverse metropolis with a population exceeding 500,000 (National Population Commission, 2006; Mustapha, 2014). The Boko Haram insurgency between 2012 and 2015 severely disrupted the local economy through destruction, displacement, loss of lives and property, and disruption of cross-border trade (Okoli & Okpaleke, 2014; International Crisis Group, 2016). Although economic recovery has occurred since 2016, entrepreneurs continue to face challenges including inadequate electricity, limited banking facilities, multiple taxation, and lingering security concerns (Hassan, 2018; Doeffinger & Hall, 2021; International Alert, 2020). Despite the difficult business environment, some entrepreneurs in Mubi have achieved sustained profitability, business expansion, employee retention, and community recognition (Boso et al., 2019). However, entrepreneurial failure remains high, with more than 60% of newly established SMEs reportedly closing within 18 months (Adamawa State Enterprise Development Agency, 2022). Although several government and development programmes have been introduced to support entrepreneurship, their limited success raises questions about whether these interventions adequately address the specific realities of Mubi (Federal Ministry of Industry, Trade and Investment, 2020). Conventional theories of entrepreneurial success emphasize formal education, bank credit, electricity, strong institutions, and secure property rights (Barney, 1991; North, 1990), but many of these conditions are weak or inadequate in Mubi. This creates a need to examine alternative factors that enable entrepreneurs to survive and succeed. Informal networks, family and community relationships, savings arrangements, resilience strategies, and cross-border trade may be particularly important in overcoming the area's institutional and environmental challenges (Sutter et al., 2019). The high rate of business failure despite government and development interventions demonstrates the need for context-specific research on entrepreneurial success in Mubi. There is particularly limited evidence on how informal networks, cross-border markets, savings mechanisms, and resilience strategies influence entrepreneurial outcomes in a post-conflict, semi-arid, borderland economy. Understanding these factors can help the Adamawa State Government and development agencies design more appropriate policies, financial interventions, market-support mechanisms, and entrepreneurship programmes tailored to Mubi's unique conditions. The main aim of this study is to investigate the determinants, challenges, and strategies associated with entrepreneurial success in Mubi Metropolis, Adamawa State, Nigeria.

The specific objectives of the study are as follows.

- i. To examine the concept of entrepreneurship, the concept of the entrepreneur, and the concept of entrepreneurial success as understood in both the general literature and the specific context of Mubi.
- ii. To identify the dimensions of entrepreneurial success and the characteristics of successful entrepreneurs operating in Mubi Metropolis.
- iii. To analyse the relationship between entrepreneurship and economic development in Nigeria, with particular attention to the role of entrepreneurship in Adamawa State and Mubi Metropolis.
- iv. To determine the key determinants of entrepreneurial success in Mubi, including human capital, social capital, financial capital, and adaptive capacity.

2.0 Literature Review

Concept of Entrepreneurship

The concept of entrepreneurship has evolved considerably over several centuries of scholarly inquiry. The term derives from the French verb *entreprendre*, meaning to undertake, and was initially used to describe individuals who undertook military or architectural projects (Hisrich, Peters, & Shepherd, 2017). In the eighteenth century, the economist Richard Cantillon recognized as the first to introduce the term into economic discourse, defined the entrepreneur as an individual who bears risk by buying at certain prices and selling at uncertain prices (Cantillon, 1755/1931). This risk-bearing function remains central to contemporary understandings of entrepreneurship. In the nineteenth century, the economists Jean-Baptiste Say and Alfred Marshall further refined the concept. Say emphasized the entrepreneur as a coordinator of productive resources who combines land, labour, and capital to produce goods and services for consumption (Say, 1803/1964). Marshall added the dimension of leadership, arguing that entrepreneurs are not merely coordinators but also innovators who identify opportunities that others overlook (Marshall, 1890). For much of the twentieth century, the economist Joseph Schumpeter provided perhaps the most influential formulation, defining the entrepreneur as an innovator who disrupts existing market equilibrium through creative destruction (Schumpeter, 1934). According to Schumpeter, the entrepreneur introduces new products, new production methods, new markets, new sources of supply, or new forms of industrial organization, thereby rendering existing businesses obsolete and driving economic progress. For the purposes of this study conducted in Mubi Metropolis, entrepreneurship is understood as the process of identifying, evaluating, and exploiting economic opportunities in an environment characterized by weak formal institutions, limited infrastructure, and post-conflict fragility. This understanding recognizes that entrepreneurial action in Mubi often proceeds without formal registration, bank credit, or reliable utilities, requiring a definition that is broader than those used in high-income country contexts (Webb, Bruton, Tihanyi, & Ireland, 2013).

Concept of Entrepreneur

The concept of the entrepreneur refers to the individual who engages in entrepreneurial activity. While entrepreneurship is the process, the entrepreneur is the actor. A consistent finding across diverse contexts is that entrepreneurs differ from non-entrepreneurs in identifiable ways, though debate continues regarding whether these differences are innate or developed through experience (Rauch & Frese, 2007).

The entrepreneur is distinguished from a small business owner by the growth orientation and innovative character of the enterprise (Carland, Hoy, Boulton, & Carland, 1984). While a small business owner may operate a static enterprise aimed at providing a stable income for the owner and family, the entrepreneur actively seeks growth, expansion, and wealth creation through strategic risk-taking. However, in the context of a fragile economy such as Mubi Metropolis, this distinction may be less clear. Many business owners in Mubi would like to grow but face external constraints beyond their control, including insecurity, poor infrastructure, and limited access to credit. Therefore, this study adopts a broader definition that includes all individuals who own and operate a business, regardless of growth orientation, while distinguishing between successful and unsuccessful operators. In the present study, successful entrepreneurs in Mubi are operationalized as those individuals who have owned and operated a business within Mubi Metropolis for a minimum of two years, who report sustained profitability over the preceding twelve months, and who subjectively consider themselves successful in comparison to their peers.

Concept of Entrepreneurial Success

The concept of entrepreneurial success is multidimensional and has been defined differently across various streams of literature. Early studies tended to define success exclusively in financial terms, including profitability, sales growth, return on investment, and business survival (Murphy, Trailer, & Hill, 1996). However, a growing body of research recognizes that entrepreneurs themselves define success in broader, more subjective terms that include non-financial dimensions such as personal satisfaction, work-life balance, community recognition, and the ability to provide employment for family members (Jennings & McDougald, 2007; Wach, Stephan, & Gorgievski, 2016). Walker and Brown (2004), in a study of small business owners in Australia, found that many entrepreneurs prioritised lifestyle goals and personal autonomy over profit maximisation. Similarly, Simpson, Tuck, and Bellamy (2004) reported that for many entrepreneurs, business success was measured by survival through difficult periods rather than by growth or wealth accumulation. This finding is particularly relevant to the Mubi context, where the baseline level of environmental adversity is high, and survival itself may represent a significant achievement.

Based on a synthesis of the literature and the specific context of Mubi Metropolis, this study adopts a multidimensional definition of entrepreneurial success comprising both financial and non-financial dimensions. The financial dimensions include business profitability measured as consistent positive net income over the preceding twelve months, business longevity measured as continuous operation for at least two years from the date of establishment, asset accumulation measured as the growth of business assets including inventory, equipment, and property, and employment stability measured as the ability to retain employees for at least six consecutive months. The non-financial dimensions include subjective success measured as the entrepreneur's self-rated satisfaction with business performance on a scale from one to ten, community recognition measured as acknowledged reputation within the local market or trade association, family welfare measured as the entrepreneur's ability to provide for basic household needs and children's education from business income, and resilience satisfaction measured as the entrepreneur's perception of their ability to withstand and recover from shocks including security incidents or economic downturns.

Dimensions of Entrepreneurial Success

Building upon the conceptual definition provided above, the dimensions of entrepreneurial success can be organised into a coherent framework that guides measurement in empirical research. The

literature suggests four principal dimensions that have been validated across multiple studies and contexts. The first dimension is profitability and financial performance. This dimension captures the direct economic returns generated by the entrepreneurial venture. Common indicators include net profit margin, return on assets, return on equity, and sales growth (Chandler & Hanks, 1993). In the informal economy context of Mubi, where formal financial records may not be consistently maintained, profitability is measured through self-reported average monthly profit, the entrepreneur's ability to reinvest profits into business expansion, and the absence of business debt beyond manageable levels (Mair & Marti, 2009). The second dimension is business survival and longevity. Venture survival is a fundamental indicator of success, as failed businesses generate no ongoing benefits for owners, employees, or communities (Brüderl, Preisendörfer, & Ziegler, 1992). In environments characterised by high failure rates, such as Mubi where over sixty percent of businesses close within eighteen months, mere survival beyond the average failure period represents a meaningful threshold of success. This study measures longevity as the number of months or years the business has operated continuously from its date of establishment.

The third dimension is growth and expansion. While survival is necessary, sustained success typically requires growth in one or more forms. Growth can be measured as increases in customer base, geographic expansion to additional locations or markets, increase in employee count, expansion of product or service lines, or increase in physical assets including inventory, equipment, or property (Davidsson, Achtenhagen, & Naldi, 2010). In the Mubi context, growth is particularly significant because it indicates that the entrepreneur has not merely survived but has capitalised on opportunities in a challenging environment.

The fourth dimension is subjective well-being and personal fulfilment. This dimension recognizes that for many entrepreneurs, particularly those operating small and medium-sized enterprises, the venture serves not only as an economic instrument but also as a vehicle for personal meaning, autonomy, and self-expression (Jennings & McDougald, 2007). Indicators include the entrepreneur's satisfaction with their work-life balance, their pride in business achievements, the respect they receive from family and community members, and their overall happiness with the choice to become an entrepreneur. This dimension is particularly important in the Mubi context, where formal employment opportunities are scarce, and entrepreneurship is often a necessity rather than a choice. Even entrepreneurs with modest financial returns may experience high subjective success if they value the autonomy and flexibility that self-employment provides (Wach et al., 2016).

Entrepreneurship and Economic Development in Nigeria

The relationship between entrepreneurship and economic development has been extensively studied, and a broad consensus has emerged that entrepreneurship is a critical driver of economic growth, employment, innovation, and poverty reduction (Acs & Audretsch, 2010; Baumol, 1990). In Nigeria, this relationship has been formally recognized in national development plans spanning several decades, beginning with the Structural Adjustment Programme of the 1980s and continuing through the current Economic Recovery and Growth Plan (Federal Ministry of Budget and National Planning, 2017). Nigeria's entrepreneurial landscape is characterised by a high density of micro, small, and medium-sized enterprises. According to the most recent national survey conducted by the Small and Medium Enterprises Development Agency of Nigeria (2021), there are approximately 41.5 million micro, small, and medium-sized enterprises operating across the country. Of these, ninety-nine-point eight percent are micro enterprises employing fewer than ten people, and only zero point two percent are small or medium-sized enterprises employing ten to

two hundred people. This distribution reflects the dominance of informal, survivalist entrepreneurship in Nigeria, driven largely by the absence of formal wage employment opportunities. The contribution of these enterprises to the Nigerian economy is substantial. The Small and Medium Enterprises Development Agency of Nigeria (2021) reported that small and medium-sized enterprises contribute forty-eight percent to national gross domestic product, account for over sixty percent of total employment, and constitute ninety-six percent of all registered businesses. Furthermore, these enterprises contribute approximately ten percent to total export earnings, primarily through agricultural products and semi-processed goods. These figures confirm that entrepreneurship is not a marginal activity in Nigeria but rather the dominant mode of economic participation for the majority of working-age Nigerians.

However, the potential contribution of entrepreneurship to Nigerian economic development is significantly constrained by a range of environmental factors. Ogundele, Akinbode, and Falola (2014) identified poor infrastructure, particularly electricity supply and road networks, as the most significant constraint. Multiple taxation and regulatory burden, including the requirement to obtain numerous permits and licenses from various levels of government, impose significant compliance costs on entrepreneurs (Adebayo & Nassar, 2016). Limited access to formal credit, with less than five percent of small and medium-sized enterprises having access to bank loans, forces entrepreneurs to rely on expensive informal sources of finance (Effiong, 2018). Security concerns, particularly in the northeastern region including Adamawa State, disrupt trade and deter investment (Doeffinger & Hall, 2021). Finally, limited access to business development services, including training, mentoring, and market information, leaves many entrepreneurs operating with suboptimal knowledge and skills (Ogbu, 2019). These constraints are not uniformly distributed across Nigeria. The southern and western regions, including Lagos, Ogun, and Rivers States, enjoy relatively better infrastructure, more developed financial systems, and lower security risks. By contrast, the northeastern region, including Adamawa State and Mubi Metropolis, experiences the most severe constraints, which explains the region's lower rates of entrepreneurial success and higher rates of business failure. This regional disparity underscores the need for context-specific research and policy responses rather than one-size-fits-all approaches.

Entrepreneurship in Adamawa State and Mubi Metropolis

Adamawa State, created in 1991 from the former Gongola State, is located in northeastern Nigeria and shares an extensive border with the Republic of Cameroon to the east (Adamawa State Government, 2018). The state has a population estimated at over four million people, predominantly engaged in agriculture, livestock rearing, and trade. The state capital is Yola, but Mubi Metropolis is the second-largest commercial centre and the primary hub for trade in the northern part of the state. The entrepreneurial landscape of Adamawa State is shaped by several distinctive features. First, cross-border trade with Cameroon is a major economic activity, with formal and informal flows of goods including consumer goods, agricultural produce, livestock, and manufactured items (Akim, 2017). Second, agriculture dominates the economy, with maize, beans, groundnuts, and sorghum as major crops, creating significant opportunities for processing and value-addition entrepreneurship. Third, livestock production, particularly cattle, goats, and sheep, supports a range of auxiliary businesses including veterinary services, feed supply, transport, and market trading. Fourth, the state has experienced significant conflict-related disruption due to the Boko Haram insurgency, which has destroyed infrastructure, displaced populations, and disrupted trade routes (International Crisis Group, 2016).

Within Adamawa State, Mubi Metropolis holds a distinctive position. Historically, Mubi served as the primary transit point for goods arriving at the Nigerian port of Douala in Cameroon, which was often more accessible than Nigerian ports for northeastern markets (Maiyaki, 2020). This created a vibrant import and wholesale trade that sustained a wide range of retail and service businesses. The Mubi main market, known locally as Kasuwar Mubi, was one of the largest and busiest markets in northeastern Nigeria before the insurgency. The market has since been rebuilt, though it operates at reduced capacity and continues to face security concerns.

The entrepreneurial population of Mubi is predominantly engaged in retail trade, with a significant minority involved in agricultural processing, livestock trading, transport services, and hospitality. Most entrepreneurs operate at the micro level, with no employees beyond family members, and rely on informal sources of finance including family contributions and savings groups (Adamawa State Enterprise Development Agency, 2022). Education levels vary considerably, with some entrepreneurs having completed secondary education or beyond, while others have little or no formal schooling. Women are well-represented in certain sectors, particularly retail trade in food items and household goods, but are underrepresented in livestock trading and transport.

Since the peak of the insurgency in 2015, entrepreneurship in Mubi has followed a pattern of gradual recovery punctuated by setbacks. Each time security improves, entrepreneurs return to Mubi, reopen shops, and resume trading. Each time a security incident occurs, some entrepreneurs leave again, while others stay and adapt by adjusting their hours, changing their supply routes, or diversifying their customer base. This pattern of resilience and adaptation is the central phenomenon that this study seeks to understand.

Determinants of Entrepreneurial Success

The determinants of entrepreneurial success have been extensively studied, and the literature identifies multiple categories of factors that influence whether an entrepreneur succeeds or fails. For the purpose of this study, these determinants are organised into four categories: human capital factors, social capital factors, financial capital factors, and environmental factors.

Human capital factors refer to the knowledge, skills, abilities, and personal characteristics that entrepreneurs bring to their ventures. The most frequently studied human capital determinant is education. Research by Van der Sluis, Van Praag, and Vijverberg (2008), based on a meta-analysis of multiple studies, found that each additional year of formal education is associated with approximately a ten percent increase in entrepreneurial income. However, this effect is stronger in high-income countries than in low-income countries, suggesting that the returns to education depend on the broader economic environment. In the Mubi context, where many successful entrepreneurs have limited formal education, the relationship between education and success may be weaker or non-linear. Prior industry experience is another important human capital determinant, with entrepreneurs who have previous experience in the same or related industries demonstrating higher survival rates and faster growth (Klepper, 2001). Specific entrepreneurial experience, including prior business ownership regardless of outcome, also contributes positively to subsequent success through the development of entrepreneurial knowledge and skills (Ucbasaran, Westhead, & Wright, 2008). In the Mubi context, bonding social capital is particularly important for survival, while bridging social capital is particularly important for growth. Membership in trade associations, religious groups, and ethnic community organisations provides access to both forms of social capital. The *adashe* system of rotational savings groups, which is widespread in Mubi, represents a formalised form of bonding social capital that provides members with access to lump sums for business investment.

Challenges of Entrepreneurial Development

Entrepreneurs in Mubi Metropolis face a range of challenges that constrain business development and contribute to the high failure rate observed in the local economy. These challenges can be organised into several categories based on their source and nature. The first category of challenges is institutional and regulatory barriers. Entrepreneurs in Mubi report multiple taxation as the most severe institutional barrier. Formal taxes are levied by the Adamawa State Board of Internal Revenue and the Mubi North and South Local Government Councils. In addition to these formal taxes, entrepreneurs face a range of informal levies imposed by market unions, trade associations, community development associations, and even unofficial actors who position themselves at market entrances (Adamawa State Enterprise Development Agency, 2022). The cumulative burden of these formal and informal taxes can consume a significant portion of business revenue, leaving insufficient funds for reinvestment or savings. Business registration requirements, while not prohibitively costly in themselves, impose time and documentation burdens that many informal entrepreneurs find difficult to meet, leaving them in the informal sector without access to formal support programmes. Regulatory unpredictability, including sudden changes in tax rates or enforcement practices, makes it difficult for entrepreneurs to plan for the future or make long-term investment decisions.

Strategies for Entrepreneurial Sustainability

Despite the severe challenges described above, a subset of entrepreneurs in Mubi has developed effective strategies for sustaining their businesses over time. Based on the literature on entrepreneurial resilience and coping strategies, these strategies can be organised into several categories. The first category of strategies is financial management and informal finance utilisation. Successful entrepreneurs in Mubi make extensive use of informal financial mechanisms to compensate for the absence of formal credit. The *adashe* system, a form of rotating savings and credit association, is particularly important. In an *adashe* group, members contribute a fixed amount of money at regular intervals, and each member receives the entire pool in rotation. This system enables entrepreneurs to accumulate lump sums for business investment without paying interest, while the social pressure of group membership enforces disciplined saving (Johnson, 2004). Successful entrepreneurs also manage their finances by maintaining separate business and household accounts, keeping written records of income and expenses even if informal, and building cash reserves during good times to buffer against future shocks.

The second category of strategies is social capital activation. Successful entrepreneurs actively cultivate and mobilise their social networks for business purposes. They maintain strong relationships with family members who can provide emergency loans or labour, with religious leaders who can vouch for their trustworthiness, with trade association officials who can provide market information and dispute resolution, and with community leaders who can provide security information and political connections (Baron & Markman, 2000). When a crisis occurs, successful entrepreneurs are able to draw on these networks for support, reducing their vulnerability and accelerating their recovery. The third category of strategies is business diversification. Successful entrepreneurs in Mubi rarely rely on a single product, customer, or location. Instead, they diversify across multiple products to reduce exposure to price or demand fluctuations in any single product line. They diversify across multiple customer segments, including both Nigerian and Cameroonian customers, to reduce exposure to border closures or currency fluctuations. Some successful entrepreneurs maintain business operations in multiple locations, keeping a shop in Mubi and another in Maroua or Mokolo on the Cameroonian side. While this diversification requires

additional effort and capital, it provides a critical buffer against the shocks that characterise the Mubi environment (Boso et al., 2019).

3.0 Methodology

This study adopted a mixed-methods research design, specifically the sequential explanatory design. This design was selected because the research questions required both breadth of measurement across a large sample of entrepreneurs and depth of understanding from successful entrepreneurs about their strategies and experiences. The study was conducted in Mubi Metropolis, comprising Mubi North and Mubi South Local Government Areas of Adamawa State, Nigeria. The target population consisted of all entrepreneurs operating small or medium-sized enterprises within Mubi Metropolis who had been in continuous operation for a minimum of two years. This two-year threshold was selected because prior research indicated that over sixty percent of businesses in Mubi fail within eighteen months, so survival beyond two years represents a meaningful threshold of success. The sample size for the quantitative phase was determined using Cochran's formula for sample size calculation when the population size is unknown, a common situation in informal economy research. The calculation assumed a ninety-five percent confidence level, a five percent margin of error, and a fifty percent response distribution, yielding a minimum sample size of three hundred and eighty-four entrepreneurs. To account for non-response and incomplete questionnaires, an additional ten percent was added, bringing the target sample to four hundred and twenty-two entrepreneurs. Sampling was conducted using a stratified random sampling approach. The strata were business sectors, including retail trade, agricultural processing, livestock trading, transport services, and hospitality. Within each stratum, entrepreneurs were randomly selected from market registers maintained by the Mubi Main Market Authority and the various trade associations operating in the metropolis. The quantitative instrument was a structured questionnaire developed based on the literature reviewed in this study. The questionnaire was piloted with forty entrepreneurs in Yola, the Adamawa State capital, which shares similar characteristics with Mubi but was not included in the main study. Reliability analysis using Cronbach's alpha yielded coefficients ranging from zero point eighty-one to zero point eighty-nine across the scales, indicating acceptable internal consistency. The final questionnaire was administered face-to-face by trained research assistants who were fluent in Hausa and Fulfulde, the predominant local languages.

4.0 Result and Discussion

Out of 422 questionnaires distributed, 384 were valid for analysis, representing a 91.0% response rate. This high rate is attributed to face-to-face administration, local language translation (Hausa/Fulfulde), and endorsement by the Emir of Mubi.

Table 1: Multiple Regression Results for Determinants of Success

Predictor Variable	Coefficient (β)	P-Value	Significance
Cross-border customer base (Cameroon)	0.48	< 0.01	Significant (Strongest)
Trade association membership	0.42	< 0.01	Significant
Participation in <i>Adashe</i> (Savings group)	0.36	< 0.05	Significant
Perceived security (1-10 scale)	0.29	< 0.05	Significant
Education level	0.11	> 0.05	<i>Not significant</i>
Access to formal credit	0.08	> 0.05	<i>Not significant</i>

Field Survey, 2026

Table 1 presents the multiple regression results on the determinants of success. The findings indicate that cross-border customer base in Cameroon was the strongest and most significant predictor, with a coefficient of $\beta = 0.48$ and a p-value below 0.01, suggesting that respondents with a broader cross-border customer base were more likely to experience success. Trade association membership was also a significant predictor ($\beta = 0.42$, $p < 0.01$), indicating that membership in trade associations contributes positively to business success. Similarly, participation in Adashe savings groups had a significant positive effect ($\beta = 0.36$, $p < 0.05$), while perceived security was also significant ($\beta = 0.29$, $p < 0.05$), suggesting that confidence in the security of business or financial activities is associated with greater success. In contrast, education level ($\beta = 0.11$, $p > 0.05$) and access to formal credit ($\beta = 0.08$, $p > 0.05$) were not statistically significant predictors of success. Overall, the results indicate that cross-border market exposure, participation in trade associations and savings groups, and perceived security were more important determinants of success than formal education and access to formal credit.

Table 2: Severity of Challenges Faced by Entrepreneurs

Challenge	Percentage Citing as "Severe"
Multiple Taxation (formal & informal)	89%
Poor Electricity Supply (0-4 hrs/day)	84%
Lingering Security Concerns	76%
Limited Access to Formal Credit	72%
Poor Road Infrastructure	58%

Field Survey, 2026

Nearly 9 out of 10 entrepreneurs report multiple taxation as the most severe barrier. This includes formal taxes (LGA/State) and informal levies by market unions and unofficial actors. Poor electricity (0-4 hours daily) forces reliance on expensive generators, eroding profit margins. While security has improved since 2015, 76% still cite lingering concerns, forcing entrepreneurs to invest in guards and diversify locations.

Based on interviews with 25 successful entrepreneurs (top quartile), four major strategic themes emerged:

Table 5: Qualitative Themes from Successful Entrepreneurs

Theme	Description	Representative Quote
Strategic Network Utilization	Mobilizing trade associations, religious leaders, and ethnic elders for credit and information.	<i>"If the association trusts you, you can buy goods on credit and pay after you sell."</i>
Cross-border Opportunism	Actively monitoring currency fluctuations and shifting sourcing/selling between Nigeria & Cameroon.	<i>"When Naira is weak, buy cattle in Cameroon; when strong, reverse the flow."</i>
Adaptive Resilience	Pre-positioning assets, mobile trading, and diversifying locations post-insurgency.	<i>"I returned with nothing, borrowed from family, started on a bicycle, now I own two shops."</i>
Informal Financial Mastery	Layering multiple Adashe groups with different payout cycles.	<i>"One group pays every 2 weeks for restocking; another pays quarterly for school fees. No bank needed."</i>

Field Survey, 2026

Successful entrepreneurs are distinguished by strategic behaviour, not luck. They do not avoid the informal economy; they master it. The *Adashe* system is not just savings—it is a cash flow management tool that matches specific business cycles. Cross-border traders treat the Cameroon border not as a barrier but as an arbitrage opportunity. Resilience is demonstrated by "bouncing back" from total loss (e.g., switching from fixed shops to mobile bicycles).

Summary of Findings

- i. Success is multidimensional: It combines profit, longevity, community respect, and family welfare.
- ii. Social capital dominates: Trade association membership and *Adashe* groups are stronger predictors of success than education or bank credit.
- iii. Cross-border trade is the key differentiator: Entrepreneurs leveraging the Nigeria-Cameroon border significantly outperform those confined to the local market.
- iv. Challenges are severe but navigable: Multiple taxation and poor electricity are universal, but successful entrepreneurs navigate these via political patronage and generators (factored into pricing).
- v. Resilience is learned: Successful entrepreneurs adapted by going mobile, diversifying locations, and layering informal financial instruments.

Discussion of Findings

The findings extend the Resource-Based View (Barney, 1991) by identifying "conflict capital" (ability to protect assets during violence) and "informal network capital" (trust-based resources) as valuable, rare, and inimitable resources in post-conflict contexts. The results contradict Human Capital Theory (which emphasizes formal education) but strongly support Institutional Theory (North, 1990): where formal institutions (banks, courts, electricity) are absent, informal institutions (trade associations, *Adashe*, religious networks) effectively substitute to enable market exchange. Finally, the adaptive strategies documented (mobile trading, currency arbitrage, layering savings groups) provide empirical support for Resilience Theory (Holling, 1973) applied to entrepreneurship, showing that entrepreneurs do not just "bounce back" but actively learn and reconfigure after shocks.

5.0 Conclusion

The study provides a profile of the successful Mubi entrepreneur that differs substantially from the conventional profile found in entrepreneurship textbooks. The successful Mubi entrepreneur is not necessarily well-educated or bank-financed. Rather, the successful Mubi entrepreneur is deeply embedded in local social networks, actively participates in informal savings groups, maintains cross-border connections with Cameroon, adapts quickly to changing security and market conditions, and navigates the bureaucracy through relationships and unofficial payments.

The study also reveals the limitations of current policy approaches to entrepreneurship development in Adamawa State. Programmes that focus on formal business registration, bank linkage, and classroom training are mismatched with the realities of entrepreneurship in Mubi, where success is driven by informal networks, informal finance, and experiential learning. More effective interventions would strengthen trade associations, support informal savings groups, facilitate cross-border trade, and provide practical mentorship rather than formal training.

The cross-sectional design captures entrepreneurial success at a single point in time and cannot establish causality. The reliance on self-reported measures introduces the possibility of social

desirability bias, with entrepreneurs potentially overstating their success. The generalizability of the findings to other post-conflict borderland contexts requires empirical testing. Despite these limitations, the study provides a rich and rigorous account of entrepreneurial success in a context that has been largely neglected in the entrepreneurship literature.

6.0 Recommendations

Based on the document, here are five key recommendations from the study:

- i. Establish a single tax window for SMEs in Mubi Metropolis to eliminate the problem of multiple taxation, which was identified as the most severe institutional barrier by 89% of entrepreneurs.
- ii. Create a cross-border trade facilitation desk at the Mubi border crossing to provide clear customs information and establish a mechanism for reporting harassment or unofficial payments.
- iii. Develop partnership arrangements between microfinance banks and existing *adashe* groups (informal rotating savings groups) to provide entrepreneurs with a pathway from informal to formal finance.
- iv. Redesign livelihood programmes to strengthen existing informal institutions (trade associations and *adashe* groups) rather than creating parallel formal structures, prioritising these over business registration drives and formal training programmes.
- v. Entrepreneurs should invest in social capital by building relationships with trade associations, religious leaders, and community elders, while also participating in *adashe* groups and exploring cross-border trade opportunities with Cameroon.

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