

Street Vendors in Bangalore: An Overview

Ms. JYOTHSNA THIMMAIAH. B.

MBA, PGDHRM, MPHIL, (PHD)

Associate Professor, Department of Management Studies,
Maharani Lakshmi Ammanni College for Women, Autonomous
18th Cross, Malleswaram, Science Post,
Bangalore-560012.

Abstract

Shopping and marketing in the traditional Indian sense have always been informal. Display of wares and social interaction are the hallmark of Indian markets. From ancient times, hawking and vending have been an integral part of Indian trade and commerce.

Street vendors form a very important segment of the unorganized sector. Today, vending is an important source of employment for a large number of urban poor as it requires less skills and financial inputs. A street vendor is a person who offers goods or services for sale to the public without having a permanent built-up structure but with a temporary static structure or mobile stall or head load. They offer goods and services for sale without having a permanent built up structure to satisfy the demands of urban poor's and urban youth. Street vendors could be stationary and occupy space on the pavements or other public/private areas, or could be mobile, and move from place to place carrying their wares on push carts or in cycles or baskets on their heads, or could sell their wares in moving buses

This paper is an attempt to study the lives of street vendors who are regularly offering their services from dawn to dusk. It also tries to identify the causes behind street vending, challenges faced, measures taken by the Government to prevent the harassment of street vendors by police and other authorities, improvement in the working conditions, social protection and life skill development to improve the level of profitability.

Key words: unorganized sector, entrepreneur, street vendor, hawking, wares.

Date of Submission: 25-03-2021

Date of Acceptance: 09-04-2021

Street vendors are identified as self-employed workers in the informal sector who offer their labour to sell goods and services on the street without having any permanent built-up structure. With increasing urban migration and the shrinking formal sector, hawking and street vending have emerged as one of the critical means of earning a livelihood for the urban poor in India. Today, vending is an important source of employment for a large number of urban poor as it requires low skills and small financial inputs. People engaged in vending try to solve their problems through their own meagre resources. Irrespective of the location and type of vendors, they try to live their life with dignity and self-respect through regular vending activities.

Roadside vendors are those people who do not have a permanent place of their own and who offer goods and services without having proper trade license for sale from public spaces. In the cities of India hawking increases with the urban growth due to influx of rural poor to the city, in search of livelihood. Roadside vendors as hawkers, peddlers, and pheriwalas sell articles of daily utility and general merchandise such as vegetables, sweets, cloth, utensils and toys, on footpaths or by going from door to door. They normally purchase goods from wholesale market according to their needs and capital available. They load them in basket or on pushcart, wheel barrow or tricycle and moves in selected areas to effect sales. Many a times they announce loudly goods or articles on sale and their prices to attract customers. Some of them display goods or articles of sale on footpath and effect sales. For higher profit few purchase goods in lot, in auction or other sales. Vendors may prepare and sell their products and may operate means of conveyance. Vendor may work on salary or commission basis or both.

I. Review Of Literature

A review of related literature in the area of research has provided an insight into many factors. It has also provided direction in designing the present study. Having reviewed several studies and having identified the gap, an imperative need was felt to undertake the present study.

- Dr. Vandana Dave (2012) made an attempt to understand the socio-economic condition of women labourers, nature of their work, their working conditions, wage pattern, wage discrimination and other

difficulties faced by them at their work place. The results showed that majority of the migrant women were engaged in the construction industry and were only employed in unskilled and low paying jobs as coolies, labourers and helpers and women were exploited to a greater degree as they were paid less compared to men for similar nature of work and hours spent on work. The conditions of work in the unorganized sector were unsatisfactory and the problems confronted by them were acute. And that their illiteracy, poverty and indebtedness forced them to work for lower wages and under unjust conditions.

- Anthony P. D'Souza (2013) focused the status and contribution of unorganized sector focused more on the challenges and problems faced by the youth in selecting job as self-employment. The study found that larger number of workers was getting their livelihood from this sector and entrepreneur plays a vital role in bringing up unorganized sector at the better position in the country.
- Vasudev and Romica (2012) conducted a study amongst working women of the organized and unorganised sector for understand their status within the family by looking at their involvement in key decision-making areas including distribution of household duties and money related decisions.
- Usha P.E, in her study on consequences and determinants of women's work in the unorganized sector, reveals that women in the textile sales sector are working with very lower wages than the minimum wage fixed. They are not getting any service benefits such as increment, leave, pension, P.F and insurance. They are all from the lower class family and are exploited in many ways.

II. Research Problem

The unorganized sector becomes synonymous with the kaleidoscope of unregulated, poorly skilled and low-paid workers. The unorganised sector has a part of the workforce which has not been able to organized in pursuit of a common objective because of constraints such as casual nature of employment, ignorance and illiteracy, small size of establishments with low capital investment, per person employed, scattered nature of establishments, superior strength of the employer etc.

Roadside vending is an important activity related to informal sector in urban areas. Majority of street vendors are illiterate or educated at primary level. They have low skill and poor economic condition. Street vending provides job opportunity and means of livelihood to the urban poor but urban local bodies consider it as illegal activity. Therefore, this study has been undertaken to understand the problems and prospects of roadside entrepreneurs in Bangalore.

III. Research Objectives

- To analyse the various challenges and problems faced by roadside vendors.
- To find out the difficulties faced by roadside vendors in marketing their products/ services.
- To identify the various types of competition faced by roadside vendors.

IV. Research Methodology

The study is an analytical, descriptive and empirical type of research. About 100 randomly selected street vendors across Bangalore were interviewed. The survey was undertaken using simple random sampling and convenience sampling method. Secondary data was sourced from relevant literature, books, journals and internet. Informal discussions were also undertaken to collect data.

V. Results And Discussions

Sample profile

The results were obtained from street vendors across Bangalore city. Majority of the vendors were aged less than 45 years, illiterates and married men. The study revealed that as most of the respondents were male and illiterates and because of lack of resources and poor financial conditions they were not provided with formal education. Men majorly are into street vending as women face challenges of insecurity, harassment and social injustice in the unorganised sector. As many respondents were married they have to cater to the financial requirements of their family to meet the daily ends.

Street vendors like vegetable and fruit vendors, flower sellers, street food vendors, chat vendors, garment sellers, hawkers and peddlers were interviewed.

Problems faced by street vendors

A street vendor is a person who offers goods or services to the public without having a permanent built-up structure but with a temporarily static structure or mobile stall. Street vendors have poor social protection and their working conditions on the streets expose them to a variety of safety and health issues. The lack of recognition to the street vendors culminates in a multitude of problems faced by them like, obtaining license, insecurity of earnings, insecurity of place of hawking, gratifying officers and musclemen, constant eviction threat, fines and harassment by traffic policemen.

- Cost of living and residential instability is the main problem faced by them being in the city and thus find it difficult to manage daily life and fulfil basic requirements of their family with less income, irregular finances and poor economy.
- Roadside vendors are economically deprived and they sell their goods on footpaths or on wheelbarrows and target a specific area or market where their product or service can be sold. They do not move their business from place to place because of financial conditions and therefore they target a specific geographical area and customers. Due to irregularity in income they tend to target specific markets and do not use any major marketing strategies to sell their products.
- Street vendors lack marketing skills, resources and finances to make their business or place of business look attractive. Most of the vendors are not aware of the techniques and methods of attracting customers and sometimes they find it difficult to communicate with the customers. Hence, they fail in reaching out to the right audience for their business due to lack of adequate marketing and communication skills.
- Unavailability and lack of space in the place of the business is the biggest constraint faced by street vendors. They generally cover the space for pedestrian walking and roads so it becomes difficult for people to walk and vehicles to move. Vendors sometimes have to bribe policemen and pay commissions to musclemen to retain their original place of business.
- Financial instability among street vendors is attributed to the fluctuations in their regular income as they are not able to make profits on all days. Street vendors are financially very unstable as they face very high competition from their counterparts and high cost of living in the city and residential instability also attribute to increase in their problems.
- Working capital is cash available for day-to-day operations. To generate working capital, a street vendor has to sell on daily basis. But if he is unable to sell his/ her goods or services, then it will be difficult for him/ her to generate working capital. They come from poor or lower middle-class families therefore, they are not financially strong and do not even have savings. Roadside vendors find it difficult to even reach up to breakeven point as they do not have a regular income, so it is difficult for them to generate capital to buy more products. They also face problems of repayment of loans and are also forced to pay bribes.
- Street vendors are not able to fulfil the basic requirements of their family. With rising cost of goods and services, it is difficult to fulfil the basic requirements of the family for a roadside vendor. The increase in prices of basic necessities affect a poor family more than a middle-class family and with the growth in economy, price of fast-moving consumer goods also increase simultaneously.
- Street vendors face a lot of competition from other vendors and bigger stores. The bigger stores sell their goods at discount and give different offers to attract people, but roadside vendors cannot sell their goods at lesser price or give discounts/ offers/ sale because if they do so they will suffer losses in the business. The bigger stores are encroaching the markets of roadside vendors and therefore, they are finding it difficult to survive in the growing economy.

VI. Conclusion

Various studies have already confirmed the fact that street vendors comprise one of the most marginalized sections of the urban poor. Roadside vendors in unorganized sector face a lot of problems in their day-to-day lives. Roadside vendors have poor social protection and their working conditions on the streets expose them to a variety of safety and health issues. The lack of recognition to the street vendors culminates in a multitude of problems faced by them like, obtaining license, insecurity of earnings, insecurity of place of hawking, gratifying officers and musclemen, constant eviction threat, fines and harassment by traffic policemen. A large part of the vendors' income goes in bribes and protection money.

Notwithstanding the fact that they play a very dynamic role in the urban economy, providing necessary items, which are largely both durable and cost-effective, to average income-earning households at cheap and affordable rates. In addition, they help many small-scale industries to flourish by marketing the products that they manufacture. Thus, they help to sustain the urban economy to a great extent in terms of generation of employment and income, and provision of services to others. This study has thrown some light on the status of street vendors in Bangalore city. This study was able to identify the challenges of the street vendors.

References

- [1]. Anantarangsi, S. and Walsh J. (2009). Income distribution and mobility in Thailand: The perceptions of migrant workers in Bangkok and vicinity. *NIDA Development Journal*.
- [2]. Bhowmik, S.K. "Street Vendors".
- [3]. Faundez, J. (2009). Empowering workers in the informal economy. *Hague Journal of the Rule of Law*.
- [4]. Helen Sekar R, Insecurities and vulnerabilities of the Informal sector- with special focus on street vending children of NOIDA.
- [5]. Horn, Z.E. (2010). The effects of the global economic crisis on women in the informal economy: Research findings from WIEGO and the Inclusive Cities partners.
- [6]. Kusakabe, K. (2004). Women's work and market hierarchies along the border of Lao PDR. *Gender, Place and Culture*.

- [7]. Maneepong, C. and Walsh, J. (2008). Bangkok woman street vendor businesses after the Asian economic crisis. Paper presented at the UNU-WIDER Project Workshop on Beyond the Tipping Point: Asian Development in an Urban World. Kolkata, December.
- [8]. Maneepong, C. and Walsh, J. (2009). A new generation of Bangkok women street vendors: Economic crisis as opportunity. Paper presented at the UNESCO Gender Studies & Women's Research Networking Conference, organized by the Regional Unit for the Social and Human Sciences in Asia and the Pacific, UNESCO, Thailand.
- [9]. Naik Abhayraj, Contextualizing Urban Livelihood: Street Vending in India.
- [10]. Nirathron, N. (2006). Fighting Poverty from the Street: A Survey of Street Food Vendors in Bangkok. Bangkok, ILO.
- [11]. Rachana N, Street vendors in India- an overview.(2014).
- [12]. SahaDebdulal, Conditions of Decent Working Life of Street Vendors in Mumbai.
- [13]. Southiseng, N. Ty, M. Walsh J. and Anurit, P. (2008). Development of excellent entrepreneurs in small and medium enterprises in Laos and Cambodia. GMSARN International Journal.
- [14]. Tantiwiranond, D., Pandey S.R., Rath, C.M. Khamphoui, O.C. and Tuyet, L.T.N. (2001).,Street vendors and mobile hawkers in the Mekong subregion. Bangkok, Women's Action and Resource Initiative, 2001.
- [15]. Walsh, J. (2010). The street vendors of Bangkok: Alternatives to indoor retailers at a time of economic crisis, American Journal of Economics and Business Administration.

Ms. JYOTHSNA THIMMAIAH. B, et. al. "Street Vendors in Bangalore: An Overview." *IOSR Journal of Business and Management (IOSR-JBM)*, 23(04), 2021, pp. 36-39.