CHAPTER-5
FINDINGS, SUGGESTIONS AND CONCLUSION

The study has revealed some significant research findings and some useful conclusions. Based on the research findings some suggestions have been offered in this final chapter of the thesis.

Findings (Chapter wise Findings)

1.1 Street vending and petty trading activities form the essential core of informal economic sectors in developing nations. These activities help in generating income with minimized investments of financial capital and without requiring large human capital. Street vendor is a person offering goods for sale to the public without having a built-up structure from which to sell.

1.2 Street vendors as urban poor subsidize the existence of the other sections of the urban poor by providing them cheap goods including food. Street vendors sell varieties of goods. They provide market for both home based manufacturing products and agricultural products, supporting small scale and home based workers as well as agricultural workers. Thus several sectors and different types of labour are linked with the street vendors. It is estimated that around 30 percent of Mumbai work force buy at least one meal a day from vendors. Street vendors are also known as hawkers/peddlers.

1.3 There has been a burgeoning growth of small scale individual entrepreneurs ranging from petty traders to personal workers like
street vendors, barbers and owners of small shops as a result of market based reforms, rapid urbanization, unemployment and landlessness and poverty. Street vending is one of the few options for the poor, unemployed and landless rural people migrating to urban areas. This trend seen in Bangladesh, Nepal, Vietnam and Cambodia. In other countries like the Asian Tigers – Thailand, Singapore, Malaysia, Philippines and Korea, rapid increase in street vending is due to the monetary crisis in 1998. These countries faced severe economic crisis and many industries closed down. India witnessed increase in street vending after economic liberalization in 1991 when there was a decline in traditional formal sector factories in Mumbai, Ahmedabad and Kolkata. A section of workers in the formal sector took to street vending.

1.4 It is estimated that the total number of street vendors in India is around 2 percent of the population of metropolis. Mumbai has roughly 250,000 street vendors and Kolkata has nearly 200,000.

1.5 Organization for vendors have come-up with Self Employed Women’s Association (SEWA) which has helped women vendors to get unionized. The National Association of Street Vendors of India (NASVI) was established in September 1998 to bring together the street vendors organizations across India, so as to take forward their collective struggle for policy and regulatory changes. Formal membership of NASVI has been taken by 276 organizations representing 168278 street vendors from 20 states in India.
1.6 Various states have adopted regulations relating to street vendors relating to licensing, allotting of space or shops in different places. Government of India adopted a National Policy on Street Vendors in 2004. The policy indicates a move from ‘prohibition’ to ‘regulation’ of street vending. The policy is at national level but implementation is at state level. This creates problems and it is found that only 3 states have implemented the policy.

1.7 Street vendors constitute an important segment of commercial activities in the informal sector of the economy. However they face numerous problems. Their major problems relate to credit and infrastructure inadequacies, lack of proper space for displaying their goods, harassment by municipal and police officials, non-recognition by the government of their business, unhygienic environment particularly for women vendors, etc.

2.1 Street vendors in India are not assisted by financial institutions as they are unable to produce any guarantee and security. They generally use their own savings, borrowing from friends and relatives and from money lenders as their capital investment. Majority of street vendors have their savings account with banks, credit societies but they hardly get their financial help from their organizations.

2.2 Street vendors in India largely deal in fruits and vegetables. They buy them from growers either at growth centres or at market centres. Street vendors priced their fruits and vegetables at varying rates depending upon the market conditions. Street vendors sell their vegetables to hotels preferably as they get quick payments for this
perishable item. Street vendors have maintained good relationship with customers who buy fruits and vegetables regularly from them. Vegetables are purchased by hotels, inns, restaurants, specialized institutions of various ceremonies.

2.3 A fairly high proportion of vendors were once workers in the formal sector and they had taken to street vending after they lost their jobs.

2.4 Food vendors have become popular in large cities. Because they provide food in cities which is cheap and nutritious, fresh and unadulterated.

2.5 Street vendors are an important link in the immediate marketing of perishable goods like vegetables, milk, milk products etc. to consumers and female vendors particularly play a major role in this context.

2.6 Street vendors have availed credit from Self Help Groups (SHGs) for a very short period. SHGs have been a useful way of promoting their savings and availing of credit in the absence of bank credit as they could not provide any collateral.

2.7 Pricing of the articles by the street vendors was not based on the cost technique. They were not trained in that direction. They purchased from growers at wholesale price plus discounts. They calculated their time consumption recurring expenses, municipal taxes and other levies and marginal profits. Price policy was determined by middlemen agents who supplied vegetables to street
vendors. Due to demand fluctuations of vegetables they charged high prices in morning and at reduced prices in the evening.

3.1 The district has large number of Self Help Groups. There are 3603 SHGs in addition to 11726 Women Self Help Groups (SC) and 1593 Women Self Help Groups (ST). (Table No. 3.5)

4.1 Majority of street vendors in Bijapur city (45%) did their business without any shelter. They carried on their work in the open air followed by those (30%) who did their vending temporarily and a smaller number of street vendors in Bijapur city (25%) had the benefit of shelter under which they carried on their business in Bijapur city. (Table No. 4.1)

4.2 Majority of respondent street vendors were in the younger age group of 25 years or less (35.20%). A lesser number of these respondent street vendors (22.40%) are in the higher age group of 25-40 years followed by those belonging to older age group of 41-60 years (26.70%). A small number of respondents (15.70%) belonged to very old age group of more than 60 years. (Table No. 4.1)

4.3 Educational status of respondent street vendors indicates that majority of them (28.60%) had secondary high school education. A minimum of respondents (3.50%) had degree level of education. There were a substantial number of respondents (23.40%) who had only primary school level of education. A small number of respondents (19.90%) had higher secondary education. A significant number of 246 respondents were illiterate. (Table No. 4.1)
4.4 Male respondent street vendors were in large numbers in Bijapur city (72.70%). A lesser number of respondents were females (27.30%). Women street vendors have entered mainly food vending business. (Table No. 4.1)

4.5 There is no significant relationship between the street vendor characteristics like age, gender, education, etc. with their preference for a particular type of supplier for their purchases. (Table No. 4.7)

4.6 Majority of respondents belonging to different categories viz. age, gender, education and shelter have indicated the above pattern relating to the price at which they purchased from the sources of supply. (Table No. 4.7)

4.7 Short duration credit buying of goods by street vendors has been found through the study. The duration of credit varied from a minimum of 1 day to a maximum of 1 month. Maximum number of 318 respondent street vendors (31.80%) paid their dues to the suppliers in 2 weeks time, followed by 292 respondents (29.20%) who repaid in one week, 258 respondents (25.80%) paid in 1 month and 132 respondents (13.20%) paid in a single day. The pattern of responses is indicated similarly for the different categories of street vendors – shelters/non-sheltered, age, gender and level of education. (Table No. 4.9)

4.8 Majority of 688 respondent street vendors (68.80%) have affirmed to have obtained profitable prices while purchasing articles from the suppliers while 312 respondent street vendors (31.20%) indicated that they did not get profitable price for their purchases.
This trend of responses is similar in case of different categories of street vendors viz. shelter, age, gender and education. Thus these differences did not have variations in their opinions about the profitability of their purchase prices. (Table No. 4.10)

4.9 Street vendors are found to be purchasing more than one variety of goods for their sales operations. Majority of 386 respondent street vendors (38.60%) were dealing in 5-6 variety of goods followed by 307 respondent street vendors (30.70%) dealing on only 1-2 varieties and 274 respondent street vendors (27.40%) dealing in 304 variety of goods. A very small number of 33 respondent street vendors (3.30%) had more than 7 varieties of goods in their dealings. The trend is mostly similar with regard to respondent street vendors with different characteristics like shelter, age, gender and education levels, etc. (Table No. 4.11)

4.10 It is found from the survey that majority of 506 respondents (50.60%) could purchase all their varieties of goods from their source of supply. However a very large number of 494 street vendors (49.40%) purchased from other sources also some of their requirements. Responses are largely similar from those with different characteristics like shelter, age, gender and education. (Table No. 4.12)

4.11 Majority of respondent street vendors (305) have taken into consideration the quality of the goods purchased (30.50%) and quantity of the goods by 318 respondents (31.80%) while buying the goods and bargaining the price with the suppliers. A substantial number of 184 respondents (18.40%) considered concessions and 55
respondents (5.50%) considered credit facility while bargaining for the price. Thus street vendors take into consideration more than one factors, while bargaining their purchase prices. This trend is observed with street vendors with different characteristics like shelter, age, gender and educational level, etc. (Table No. 4.13)

4.12 Street vendors are given the incentive of concessional prices for their purchases according to majority of 546 respondent street vendors (54.60%). However, an almost equal number of 454 respondents (45.40%) have mentioned that the suppliers give no concessions in prices. Respondents belonging to different categories viz. sheltered/non T sheltered, age, gender and education indicate this trend of responses. Thus, there is no significant change in the responses of respondents with different characteristics. (Table No. 4.14)

4.13 Street vendors have resorted to some measures to keep their items fresh and fragrant. This aspect becomes relevant when goods like vegetables, fruits and flowers are involved in their sales. They resort to covering, watering and both in case of vegetables and flowers. Majority of 420 respondent street vendors (42.00%) resorted to covering. A substantial number of 357 respondents (35.70%) watered their articles, while 223 respondents (22.30%) resorted to covering and watering both. The responses indicate similarity irrespective of the differences in their characteristics relating to shelter, age, gender and educational level. (Table No. 4.15)
4.14 Discriminatory pricing is practiced by traders to maximize their profits in different markets. The possibility of discriminatory pricing is availed when market segmentation is possible on the basis of differences in demand elasticity and price elasticity of demand prevails. It is found from the study that a substantial number of 421 street vendors (42.10%) did indulge in price discrimination while majority of 579 (57.90%) did not indulge in price discrimination. Here too the different characteristics of street vendors like shelter, age, gender and education did not have significant impact on their responses. (Table No. 4.16)

4.15 Majority of 605 respondent street vendors (60.5%) have affirmed that they got profitable prices from selling their vegetables/flowers/fruits. However, a substantial number of 395 respondent street vendors (39.50%) did not get profitable prices from selling their vegetables, fruits and flowers. The pattern of responses of street vendors with different characteristics was largely similar. (Table No. 4.17)

4.16 It is revealed from the field survey that majority of 619 respondent street vendors (61.90%) used carry bags for the convenience of customers to carry the goods bought from them. However a substantial number of 381 respondent street vendors (38.10%) did not use the carry bags for the convenience of the customers. The responses of street vendors of different characteristics were similar with the above trend. (Table No. 4.18)
4.17 The sales performance has yielded full satisfaction to majority of 524 street vendors (52.40%) while a substantial number of 476 respondent street vendors (47.60%) were not fully satisfied from their sales performance. The responses are not affected by differences in the characteristics of the respondents relating to shelter, age, gender and education. (Table No. 4.19)

4.18 Lack of own vehicle facility is found in case of majority of 656 respondent street vendors (65.60%) for carrying and delivering their goods to the customers. However, a substantial number of 344 respondent street vendors (34.40%) did have their own vehicles for the above purposes. Responses do not reflect significant relationship with the different characteristics of street vendors viz. shelter, age, gender and educational level. (Table No. 4.20)

4.19 Seasonal imbalances in the arrangement of sales are faced by large majority of 859 respondent street vendors (85.90%), while a lesser number of 141 respondents (14.10%) did not face this problem. Seasonal variations affect supply of items like vegetables, fruits and flowers, similarly seasonal demand for these items also change. Hence the street vendors have to adjust to these imbalances in arrangement of their sales. The respondents’ characteristics like shelter, age, gender and education have not influenced their responses. (Table No. 4.21)

4.20 Credit sales have become normal in trade transactions to increase sales and to dispose off unsold stock. Street vendors too have resorted to this practice. The problem of delay in recovering dues from
customers is indicated by 357 respondents (35.70%) while majority of 643 respondents (64.30%) did not face this problem of delay in collecting dues. The respondents’ characteristics of age, gender, educational level, etc. did not indicate significant impact in this context. (Table No. 4.22)

4.21 Institutional customers like Boarding, Hostels, Restaurants and Marriages have been customers of the street vendors covered by the study. Majority of 378 respondents (37.80%) had boarding institutions as customers for items like vegetables, etc. Hostels were customers for 181 street vendors (18.10%). Restaurants were customers for 248 street vendors (24.80%) and marriages were customers for 193 street vendors (19.30%). There are differences in responses based on age and gender among the respondent street vendors. (Table No. 4.23)

4.22 Large majority of 665 street vendors covered by the study (66.50%) obtained their finances for their trade from relatives. This incidence is more among male street vendors and among older respondents compared to others self financing has been practiced by 195 respondent street vendors (19.50%). Here the respondents’ age, gender and education do not have significant impact. A lesser number of 60 respondents (6.0%) borrowed finances from institutions. Younger and illiterate respondents are more prone to borrow from institutions. (Table No. 4.24)

4.23 Maximum number of 847 respondent street vendors (84.70%) have invested their profits in banks. Here the differences in respondent characteristics have not influenced the responses in this
context. A lesser number of 112 respondents (11.20%) invested their profits in post offices. The incidence is relatively more among respondents with better educational level. A small number of 41 respondent street vendors (4.10%) had invested their profits in other avenues. Here too the incidence is more among better educated respondent street vendors. (Table No. 4.25)

4.24 There is a sharp difference of opinion among respondent street vendors regarding the payment of charges or local tax to local authorities. Majority of 588 respondents (58.80%) affirmed such payment while large number of 412 respondents (41.20%) denied such payment to local authority. This trend is affirmed by unsheltered, young age, male street vendors with lower level of education. (Table No. 4.26)

4.25 Life insurance policies ensure savings as well as security of future economic welfare. The poor street vendors have taken interest in this direction and majority of 765 respondent street vendors (76.50%) have life insurance policies. However, a good number of 235 respondent street vendors (23.50%) have not purchased the life insurance policies. This proportion of respondents is indicated among non-sheltered, young age, male and less educated street vendors. (Table No. 4.27)

4.26 Major problems faced by the street vendors while purchasing their articles included price determination, regularity of supply, transportation, credit and facility. The problem of regularity of supply of the products dealt with by them was voiced by majority of 309
respondent street vendors (30.9%). Transportation problem is faced by 257 respondents (25.7%). Credit facility is faced by 232 street vendors (23.2%) while price determination is faced by 202 respondent street vendors (20.2%). Non-sheltered street vendors have faced all these problems as indicated by more number of respondents in this category. In the age groups more number of street vendors within the age group of 25 years have indicated these problems compared to others. Similarly more number of male (72.70%) street vendors have indicated these difficulties. More number of street vendors with lower education have indicated these problems related to their purchases. (Table No. 4.28)

4.27 Problems of selling faced by respondent street vendors include pricing, bargaining, storage and quality of products. Majority of 330 street vendors (33.0%) faced the problem of bargaining by customers, while 302 street vendors (30.2%) faced the problem of pricing. Storage problem was faced by 250 street vendors (25.0%) while 118 street vendors (11.8%) faced the problems of quality of the products. All these problems are faced by majority of non-sheltered street vendors, younger age street vendors, male street vendors and street vendors with lower level of education. (Table No. 4.29)

4.28 Majority of 426 respondents (42.6%) maintained that customers faced the problem of selecting right quality goods. The problem of bargaining was faced by customers according to 354 respondents (35.4%) while 141 respondent street vendors (14.1%) indicated the problem of carrying goods faced by customers. A small number of 79
respondents (7.9%) mentioned the problem of choosing right quantity faced by the customers. Majority of respondents mentioning these problems were non-sheltered, younger aged, males and street vendors with lower level of education. (Table No. 4.30)

4.29 Competition is faced by the street vendors in their business. They adopt measures like keeping quality goods and reduction of prices. Majority of 443 respondent street vendors (44.3%) resorted to keeping quality goods in their stock while 350 respondents (35.0%) resorted to reduction of prices. A good number of 207 respondent street vendors (20.7%) did not adopt any of these measures for facing competition. Majority of those resorting to measures like quality maintenance and price reduction belonged to the category of non-sheltered street vendors, younger aged street vendors, male street vendors and street vendors with lower education. (Table No. 4.31)

4.30 Street vendors faced difficulties of transport, labour and communication in their operations. Majority of 502 respondent street vendors (50.2%) faced the difficulty of labour while 334 respondents (33.4%) faced the difficulty of transport. A lesser number of 92 respondents (9.2%) faced the difficulty of communication while 72 respondents (7.2%) faced other difficulties. The difficulties are faced by majority of respondents belonging to unsheltered street vendors, young age street vendors, male and less educated street vendors. (Table No. 4.32)

4.31 The study has revealed that majority of 656 respondent street vendors (65.60%) did not have complaints from their customers.
However, a substantial number of 344 respondents (34.40%) mentioned that customers had complaints relating to their business. Majority of street vendors who denied having complaints from customers belonged to unsheltered, young age, male and with lower level of education category. (Table No. 4.33)

4.32 It is an advantage to have regular customers as it ensures a continuous sales and sales earnings. Large majority of 786 respondent street vendors (78.60%) had regular customers while a lesser number of 214 respondents (21.40%) did not have regular customers. The pattern of responses is similar, as majority of the street vendors in the category of sheltered, young age, male street vendors and those with lower level of education had affirmed that they had regular customers. (Table No. 4.34)

4.33 Street vendors are provided some facilities by municipalities in the study area. Majority of 487 respondent street vendors (48.70%) have been given the facility of shelter while 124 respondents (12.40%) are given space by the municipality for their vending business. A substantial number of 357 respondents (35.70%) have obtained the facility of both shelter and space. A very small number of 32 respondents (3.2%) have not been given any facilities by the municipality. This trend is indicated by majority of respondent street vendors without shelter, younger aged groups, male vendors and those with lower level of education. (Table No. 4.35)

4.34 Street vending needs cooperation among the vendors particularly in sharing space and shelter facilities pricing and use of
infrastructure, etc. It is found from the study that there is cooperation among the street vendors as mentioned by majority of 843 respondents (84.30%). However, a lesser number of 157 respondent street vendors (15.70%), indicates lack of cooperation from other street vendors. This trend of response is indicated from non-sheltered, young, male and those with lower education. (Table No. 4.36)

4.35 The communication system through mobiles has reached the lower income groups particularly small traders and workers. It is found that 944 respondent street vendors (94.40%) have mobile phones, while a small number of 56 respondent street vendors (5.60%) did not possess mobiles. This trend is observed among non-sheltered, young age, male and less educated street vendors. (Table No. 4.37)
Suggestions

The study has revealed some areas of concern relating to the informal sector of street vending. The following suggestions for strengthening and developing of this sector have been offered in this context.

1. A broad and holistic approach is needed to ease the problem of street vendors. While formulating urban plans it is necessary to take into account the rights of vendors and hawkers to public place for specific purposes such as parks and gardens for hawking, etc. Vendors’ and hawkers’ interest coincides with consumer interests.

2. Recognition of hawking/vending as a profession would also benefit the municipalities by way of levies. The hawkers/vendors recognition would mean that they have a right to their profession which would in turn loosen the stranglehold of corrupt officials, policemen and gangsters over them. They would also be entitled to loans from public institutions thus reducing the hold of money lenders over them.

3. In the study area of Bijapur many street vendors are operating in unsheltered locations. It is necessary to provide shelter to protect them from environmental problems.

4. The study has revealed that there are no public toilet facilities for the street vendors in the areas of their operations. There is need for public toilets to be provided especially for women street vendors. Municipal authorities should take steps in this direction.
5. There is the problem of high incidence of borrowing from money lenders by the street vendors in the study area. This needs to be reduced by bank interventions by way of providing adequate working capital at economic cost and with minimum procedural delays.

6. Payment of fees/charges to local authorities by the street vendors is high in the study area. Hence there is need to reduce the same.

7. Street vendors are operating under constant threat of eviction by the local authorities and policemen. This approach needs to be avoided to enable street vendors to carry on their business without the fear of eviction.

8. The study has revealed that there is lack of unionization among street vendors in the study area. The street vendors should form their union and fight unitedly for their cause and problems. NGOs can provide a lead to the street vendors in this direction.

9. NGOs and others should try to create awareness among the street vendors about their rights.

10. Street vendors should form their cooperative societies for availing credit and for promoting their savings. This would enable them to develop leadership among themselves.

11. National policy on street vendors should be devised to safeguard their interest viz.

   - Vendors should be given legal status by issuing licenses and providing appropriate hawking zones.
➢ Protection and expansion of vendors existing livelihood should be ensured.

➢ Make street vendors a special component of the plans for urban development by treating them as an integral part of the urban distribution system.

➢ Include street vendors in Town and City Master Plans.

➢ Issue guidelines for supportive services and social security at local levels.

➢ Setup social security funds for street vendors.

➢ Promote self governance of hawkers through organizing them.
Conclusion

In conclusion it can be said that though India has witnessed an increased in street vendors, the government is indifferent to specific needs of this sector. Street vendors perform an important role in providing services to the urban population especially the poor.

Street vending and petty trading activities from the essential core of informal economic sectors in developing nations help in generating income with minimized investments of financial capital and without requiring large human capital.

The street vendors contributions are unfortunately hardly ever recognized by the government. Instead the government is more often that not hostile to them. This is a result of a broader issue concerning the informal sector as a whole. In most Asian countries the informal sector is very large and it constitutes the mainstay of the economy.

Street vendors are an important part of the informal sector not only because of their numbers but because of crucial roles they play in preserving their sector. The goods sold by street vendors are usually consumed by those in the informal sector as they cheap. Moreover, a significant amount of goods produced by small industrial units in the informal sector is marketed through them.

In fact we have situation where one section of the urban poor (street vendors) helps the other sections of the urban poor by providing them low priced goods and by marketing their products. Unfortunately, instead of recognizing their contributions to the economy, the government is not motivating the street vendors.