

Urban Informal Sector: A Case Study of Street Vendors: Reference to Ballari City of Karnataka State, India.

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Abstract

Indian shopping and marketing has always been informal in nature. Showcasing goods and socializing are the main features of Indian markets, as opposed to the more mechanized and sterile approach of shopping in modern market centers or super markets. Since ancient times, hauling and selling have been a part of Indian commerce and trade. This study seeks to understand the lives of street vendors who offer their services on a daily basis. Using convenience sampling, 200 respondents were interviewed. The majority of the respondents entered the street vending business from poor, illiterate households and worked for 7-10 hours a day. Surprisingly, there was no significant difference in earnings between men and women and most of them were content with their job.

Keywords: Informal Sector, Vending, Job Satisfaction, Income, Price Structure.

Introduction

Street vendors have been a part of the urban economy since ancient times, with stories of travelling merchants selling their goods on footpaths and going door-to-door in nearby villages. However, the academic literature usually describes street vendors as those who offer their wares to the public without a permanent building from which to do so. This includes both stationary and mobile vendors, who can be stationary on the street or mobile by carrying their goods on their heads in push carts or baskets. In India, street vendors make up around 3 percent of the country's total employment outside of agriculture. There is no research on the life and conditions of street vendors in this area. Therefore, in this study, we have attempted to analyze the socio-economic profiles of these sellers. More specifically, the purpose of this study is to:

Study Objectives

- Researching the socioeconomic traits of street vendors
- To examine the factors that lead to street vending.
- To examine the street vendors' pay scale and pricing structure.
- To research the vendors' working conditions and job satisfaction.

Methodology

The present study is primarily based on field data due to the widely acknowledged limitations of available data in understanding the various dimensions and issues of workers involved in vending. To select the sample of 200 street vendors in Ballari City, Karnataka State, convenient sampling was employed. The inclusion of various street vendors selling a range of goods, such as fruits, vegetables, clothing, toys, shoes, and electronic devices, has been handled with care. An organised interview schedule that underwent pre-testing prior to implementation has been instrumental in gathering data. The results were analysed and interpreted using descriptive statistics.

Analysis and Discussion

Research indicates that the age range of 16 to 35 years old has the highest concentration of vendors. It suggests that selling things requires a great deal of physical labour. A vendor begins the day's purchases early in the morning. His home is usually far from the marketing location. It is a laborious task to bring big sacks of fruits and vegetables and load them onto a rickshaw cart. It's difficult to arrange, clean, sort, weigh, and interact with customers. Regardless of the weather—heat, wind, rain, or cold—hawkers are constantly moving from one lane to another. Making loud noises to draw in customers takes time and effort. In this context, the age distribution of respondents by gender was given significant weight in the current study. Table 1 shows the distribution of street vendors by age group and sex.

Table 1: Gender Wise Age Distribution of Respondents

Age	Male	Female	Total	Percentage
Below 15	2	0	2	1
15 – 20	5	2	7	3.5
20- 25	19	4	23	11.5
25-30	23	5	28	14
30-35	27	6	33	16.5
35-40	28	6	34	17
40 -45	33	9	42	21
Above 45	26	5	31	15.5

Total	163	37 (18.5)	200	100
	(81.5)			

Source: Field survey

Note: Percentages are indicated by figures in brackets.

The majority of the vendors were adults, according to the analysis of the table above. Just 15.5% of the respondents were older than 45, while more than two thirds of them were between the ages of 25 and 45. In the sampled area, there are more male vendors than female vendors, as the table also demonstrates. Of the 75 female vendors selling various products in the entire sampled area, only fifty percent of the respondents were chosen for the current investigation.

Status of Education

It's critical to investigate the degree of fit between education and work in order to achieve increased productivity. It also has a significant impact on a person's life because it aids in forming the ideal lifestyle for people. The chosen respondents' level of education is shown in Table 2.

Table 2: Gender Wise Educational Status of Respondents

S. No.	Education	Male (%)	Female (%)
1	Illiterate	10	55
2	Up to 6th	24	23
3	Up to 10th	20	11
4	Up to 12th	25	8
5	Up to Graduation	18	3
6	Up to P.G. & above	3	0

Source: Field survey

Note: Percentages are indicated by figures in brackets.

The majority of the respondents came from low-income families, as the above table demonstrates. Just 3% of male vendors held a postgraduate degree, while 4/5th had completed their education up to the 12th grade and 18% had gone to college. 42 percent of the female respondents had only completed the 12th grade in school, and more than half were illiterate. We were unable to locate any postgraduate female respondents for our survey. Poor educational background was caused by a number of factors. than enrol in any school. One of the main causes of subpar education for both sexes was low family income. As was discovered in the majority of cases, all of the family members worked in the unofficial sector either directly or indirectly, and their kids were either illiterate or attending government schools. Their parents' deaths or the fact that they were the only ones in their family with jobs contributed to their inadequate education. Some of them retorted that it is preferable to work

rather than enrol in school because there are thousands of educated unemployed people and that there is no job security.

Nature of Employment and Working Conditions

The majority of street sellers offer goods made by small and independent businesses. The produce is arranged in easily accessible locations and is tailored to the requirements, preferences, and budget of the regional consumer. It would be difficult to locate an urban household that does not make a purchase from a vendor. Particularly middle-class and lower-class customers favour doing business with them, though even wealthy people buy a lot of goods at fair prices. These days, everything is sold on the streets, including garden tools and household utensils like pins. The time will come when people can purchase computers and cell phones on the street.

Trading from the pavements is fraught with uncertainty for the majority of street vendors. The authorities harass them on a regular basis. To get rid of these intruders and sometimes seize their belongings, the local authorities organise eviction drives. A municipal raid is similar to a game of cat and mouse in which street vendors attempt to flee and hide from the raiders while municipal workers chase them away. In addition to these impromptu incursions, street vendors typically need to bribe the authorities on a regular basis in order to operate.

All of these indicate that a significant portion of the money made from street vending is either given to private money lenders or used to grease the palms of dishonest officials. In actuality, even though they are service providers, street vendors typically have to endure in a harsh environment. It was discovered that the majority of vendors work seven to ten hours a day, beginning their businesses early in the morning. The majority of them lived roughly five kilometres away from the marketing location.

Reason for Choosing Vending

Like the informal economy as a whole, street vending is driven by a number of factors. According to one school of thought, a large number of working poor people turn to street vending because they are unable to find employment in the formal economy. As a result, selling acts as a haven occupation where one can make a steady living due to the low entry barriers. There is another school of thought that contends that individuals choose this line of work over other blue collar jobs because it provides a more flexible or alluring employment option. To find out why employees choose this line of work, a sample of respondents was asked why they decided to become vending machines.

They gave different reasons which are presented in table 3.

Table 3: Gender Wise Distribution of Vendors across Reason to Choose Vending

Reasons	Male	Female	Total
Lack of employment opportunities	56 (34.35)	11 (29.72)	67 (33.5)
Absence of earning member in the family.	24 (14.72)	9 (24.32)	33 (16.5)
Death of parents	15 (9.20)	4 (10.81)	19 (9.5)
Needs less skill	18 (11.04)	4 (10.81)	22 (11)
Needs less investment	20 (12.26)	6 (16.21)	26 (13)
Other reasons	30 (18.40)	3 (8.10)	33 (16.5)
Total	163 (100)	37 (100)	200 (100)

Source: Field survey

Note: Figures in brackets indicate percentage

The lack of job opportunities is the reason why one-third of the respondents prefer vending, according to the above table. Since no one in their family made money, more than one-sixth of them chose this career. Similar to this, 13% prefer it because it requires less capital, and 11% prefer vending because it requires less expertise. Given that the majority of respondents were illiterate, opting for vending makes more sense for them.

Income pattern

Approximately 20% of the 200 vendors who participated in the survey were employed as salespeople, the majority of whom were immigrants from Tibet, Bihar, and Assam. More than one-third of the vendors made their own investments and sold on the streets. The kind of products that vendors sell determines how much money they make. Vendors selling shoes made the most money, followed by those selling clothing and fish. The people who sold toys made the least money, followed by those who sold vegetables. The average daily income for those selling shoes was between Rs 500 and Rs 700, while the average daily income for those selling toys was between Rs 200 and Rs 300. It was also discovered that the majority of them make between Rs. 1000 and Rs. 1300 per day during the busiest and festival seasons. The fixed wages of Rs 2500 to Rs 3000 per month were paid to about half of the vendors who worked as salesmen; the remaining vendors received wages ranging

from 20 to 25 percent of the total revenue per day. The earnings of male and female vendors did not differ significantly. We discovered that the average daily income for female members selling fish was between Rs 500 and Rs 600. Despite the fact that salaries varied greatly amongst occupations, we discovered that the majority of them were content with their current income and would not consider switching careers under any circumstances. Thus, in addition to being a form of self-employment that lowers the unemployment rate in the nation, vending is a lucrative business that also significantly boosts the economy.

Price structure

Our investigation revealed that only a small number of commodities had fixed prices due to the informal nature of the market. Price was mostly set by the buyers' and sellers' ability to negotiate. The majority of vendors stated that they frequently have to lower the price of their goods for a variety of reasons, such as customers' ability to haggle, the need to draw in new business from competitors, or the need to keep their loyal clientele. The majority of vendors selling perishables and edibles have also stated that, in the event that a product is unsold, they would rather sell it to customers at a reduced price rather than having them take it home, since doing so would result in them having to pay storage fees, which would reduce their net profit.

Conclusion

While FDI norms in multi-brand retail have been loosened, nothing is done to improve the lot of the impoverished street vendor. Every city in the nation has streets that are not only home to thousands of working poor and destitute men and women, but also serve as thriving centres of employment for the underprivileged and dependable locations for low-cost and accessible retail. Men and women aggressively peddle a range of products on city pavements, such as fruits and vegetables, apparel, toys, books, household goods, and newspapers. According to our research, the majority of street vendors were between the ages of 25 and 45. They grew up in impoverished, illiterate homes and chose this line of work for a variety of reasons. Without a holiday, the majority of them worked seven to ten hours every day. Though they worked long hours and in a variety of occupations, they were content with their vending income because it was sufficient to support their families. Thus, in addition to being a form of self-employment that lowers the unemployment rate in the nation, vending is a lucrative business that also significantly boosts the economy.

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