
SOCIO-ECONOMIC STATUS OF STREET VENDORS – AN EMPIRICAL STUDY

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ABSTRACT

Most urban poor in developing countries make a living by choosing a career as a street vendor. This informal sector has two types of people: self-employed and temporary workers. Many people directly or indirectly engage in this profession and generate income for their families. This sector provides huge employment opportunities for daily wage earners and also contributes to the economic development of India. This study attempts to understand the socio-economic conditions of street vendors in Kumbakonam. The study has been undertaken from February 2021 to March 2021. The socio-economic conditions of street vendors in Kumbakonam town are better when compared to street vendors living in other towns of many states. The study reveals that socially and economically poor people are under the clutches of moneylenders and indigenous bankers. Only a tiny population of street vendors borrowed funds from banks for their financial needs.

Introduction:

To study the socio-economic status of street vendors at Kumbakonam this research was undertaken. Various factors like education, family system & size, form of business, types of business and income from business, residence, savings, and borrowings, and children's education, etc. are taken for the present study.

This study covers all the people who are involved in the street vending business at Kumbakonam during the study period. All people irrespective of their age, gender, marital status, and educational status, and types of business undertaken, doing business part-time & full-time, etc., are covered in this study.

Various researches were conducted in developing countries including India, to study the socio-economic status of street vendors and the result shows that levels of socio-economic status are very poor and uncertain. Peddlers, Hawkers, and Street vendors business dominated by female faces many problems concerning business and family. To identify the problems faced by the street vendors and offer suitable suggestions to solve the problems this study was performed.

Literature Review:

Sethuraman (1977): The researcher reveals in his studies that, most of the street vendors doing their business in and around slum area. Most of them won't have permanent premise to carry their business. They use shacks, tents to create temporary structure, in which they carry their business. In many countries the authorities have applied a variety of restrictive policies to this sector, forcing enterprises to move on account of overcrowding, health considerations, traffic congestions, environmental or aesthetic factors, or because the land they occupy does not belong to them.

Suraiya, Sayma (2012): The researcher studied socioeconomic situations of street vendors at Dhaka city. Eighty-seven percent of the street vendors under study were completed school education. Street vendors were earned tk. 6,000 to tk.10,000 per month. Food seller earned tk. 4,105, flower seller earned tk. 1,025 and other sellers earned tk. 2,280 per month. Researchers recommend that street vendors provide sufficient support to improve their economic and social conditions.

Sandeep Kumar Baliyan and Vikas Deepak Srivastava (2016): The researchers considered the social and economic conditions of street vendors from the angle of gender perspective. The study was conducted in Lucknow city. Researchers studied fruit flower, food and cloth and utensil vendors. 40.8% of street vendors are between 26-40 years old. 59.5% of street vendors belong to OBC community and 30% belong to SC category. They pointed out socially disadvantaged groups who use street trafficking as a means of earning a living. 45% of street vendors are illiterate. Approximately 75% of street vendors are immigrants from rural areas.

Shibin Kumar S and Nisanth M Pillai (2017): The researcher studied the socioeconomic conditions of street food vendors in Kollam Corporation. He studied 160 street vendors in 2017. 93.33% of those surveyed were men and 6.67% women. 76.67% of the respondents earned less than rupees 10,000 per month. 81.66% of those surveyed were borrowed to run the business. More than 50% were affected due to poor weather conditions. 33% belonged to Hindu, 54% belonged to Muslims

and the balance 13% belonged to Christianity. 83% of street vendors were belongs to Kerala and 15% belongs to Tamilnadu state.

Albert Christopher Dhas, R (2020):The researcher studied the socioeconomic conditions of street vendors in Madurai town. He studied 200 street vendors in 2019. 78% of those surveyed were men and 22% women. Street vendors work an average of 12 to 14 hours a day. 92% of the street vendors studied chose vending as a profession because they do not have other jobs. 83% belonged to Hindu, 10% belonged to Muslims and the balance 7% belonged to Christianity. 74% of the street vendors studied have bank accounts. 56% of samples live in rented houses and 34% in their own houses.

Research Objectives:

To study the socio-economic status of street vendors at Kumbakonam the following objectives were framed.

1. To reveal the demographic profile of respondents in the study area.
2. To examine the extent and range of goods and services provided by the street vendors in Kumbakonam.
3. To expose the working life of the street vendors in the study area.
4. To study the major issues related to livelihood and earning levels of different types of street vendors in Kumbakonam.
5. To offer suitable suggestions to overcome the socio-economic issues and promote their livelihood rights.

Research Hypotheses:

The researcher has framed the following hypothesis to study socio-economic status of street vendors.

1. **H₀:** Age of the street vendor does not influence the types of business the respondent prefers.
2. **H₀:** Gender of the respondents does not influence Place of business they are doing.
3. **H₀:** There exists no connectivity between gender and types of business of the respondents.
4. **H₀:** There exist no connectivity between Education and Types of business among the respondents.
5. **H₀:** There exists no connectivity between gender and income from business of the respondents.
6. **H₀:** There is no statistical Affinity between Types of business and income from business among respondents studied.
7. **H₀:** There exists no connectivity between income from business and family expenditure of the respondent.

Research Design:

This study is an empirical research, which attempts to analyse, understand and suggest the socio-economic problems of Street vendors at Kumbakonam. The sample size is 120. They were selected at random by applying convenience sampling. To collect primary data the researcher administered an interview schedule. Textbooks, journals, records from reliable websites, etc. referred to collect secondary data. Statistical tools like Descriptive Statistics, Correlation Analysis, and ANOVA, etc. have been applied in this study.

Analysis of Results:

I. Demographic status of the Respondents:

Gender, Age, Marital status and Educational Status, Family System, and Family Size are the most important demographic factors in studying the socio-economic characteristics of Peddlers, Hawkers, and Street vendors.

1. It is observed that more than 92 Percent of Peddlers, Hawkers, and Street vendors are above the age of 25 years.
2. Out of 120 respondents studied, 93% of them were married, 5% of them were unmarried and 2% of them were married but single.
3. It shows that the level of education among respondents is generally very low.
4. Out of 120 respondents studied 110 respondents studied up to 8th standard. It is observed from the above table that due to lack of education, more than 90% of the respondents chose street vending as their business.
5. The majority of male and female respondents lack proper formal education, which is the major reason for choosing this street vending business.
6. More than 80% of the respondents of this study are following the nuclear family system.

II. Respondents' Economic Status:

The researchers have identified important economic barometers to study respondents' economic status. They are Types of business, Nature of business and Mode/Place of doing your business, Investment on Business, Income from your Business, Family Expenditure, Savings and Borrowings, etc.

1. Out of 120 respondents studied, 26% of the respondents were vegetable sellers, 23% of the respondents were fruit sellers and 22% of them were ready-to-eat food items sellers. Twenty respondents have sold flowers as their business.
2. It is evident from the table that male prefers to sell vegetables, ready-to-eat food items, and fruit whereas female prefers to sell flowers, vegetables, and fruits.

3. ANOVA test proves that there exists no connectivity between gender and type of business of the respondents.
4. The respondents in the age group 25-35 preferred vegetable and flower selling (particularly female respondents) as their choice of their business. The respondents in the age group 36-45 preferred fruit selling as the choice of their business. The respondents in the age group 46-55 preferred vegetable selling as the choice of their business.
5. The ANOVA test proves that there exists no connectivity between the age and type of business of the respondents.
6. It is evident from the table that the majority of the illiterate prefer to sell vegetables and fruits and the majority of respondents studied up to 8th prefer to sell flowers and ready-to-eat food items.
7. The ANOVA test proves that there exists no connectivity between education and the type of business of the respondents.
8. Ninety percent of the respondents have been doing their business permanently for many years.
9. Ninety-eight percent of the street vendors are sole traders.
10. The majority of the respondents and their families depended on the street vending business for many years. It shows that street vending provides sufficient revenue to run their family. It is also understood that out of 86 male respondents studied, 38 of them are having more than 10 years of experience. Out of 34 female respondents studied 19 of them are having more than 5 years of experience.
11. The nature of business is also influencing the investment. It is observed that 95% of the respondents run their business with a capital of less than ₹ 50,000.
12. It is evident from the table that only 50% of the vegetable sellers invested less than ₹ 25,000 and 60% of fruit, flower, and ready-to-eat businesses invested less than ₹ 25,000.
13. The ANOVA test proves that there exists no connectivity between investment and the types of business of the respondents.
14. It is noticed that the majority of the respondents under study are economically very poor and hence occupy platform/roadside for their place of business and one-third of them are doing so with their physical support.
15. Sixty percent of male sellers and 65% of female sellers are doing their business at platform/Roadside. Thirty-three percent of the males are doing business by self-support and 29% of the females are doing business by self-support.

16. The present study shows that respondents are spending most of their time in their business to take care of their family. It indicates that they are not able to get sufficient income within 8 hours of work.
17. Twelve Percent of respondents are assisted by a spouse 16% are supported by their children and 71% with employees' support. It is observed that 27% of the respondents under study are assisted by their family members.
18. The study reveals that only 20% of the street vendors earn less than India's per capita income of ₹ 11, 893.25 p.m. More than 80% of the street vendors earn above ₹ 10,000 p.m. Two-thirds of the street vendors are earning above ₹ 15,000 p.m. It shows they are not economically poor.
19. The ANOVA test proves that there exists no connectivity between gender and income from the business of the respondents.
20. The majority of the street vendors (76 respondents) earn an income of more than ₹ 1,80,000 p.a. irrespective of their business. On average, they are earning ₹ 500 per day. Among the different types of businesses, vegetable and fruit sellers are earning less. Correlation analysis proves that there is no correlation between income from business and type of business of the respondents.
21. It is observed that street vendors in the age bracket of 26-35 years earn more income in all income segments.
22. Two-thirds of the respondents are spending over ₹ 10,000 p.m. for their family.
23. The study reveals that street vendors in all income segments spent within their earning capacity. Respondents who are earning income less than ₹ 5,000, spent more than what they earned. Hence, they may borrow funds outside to meet the shortage of funds.
24. Correlation analysis proves that there exists a positive correlation between income from business and family expenditure of the respondent.
25. Ninety-five percent of the respondents borrow money from outside to meet their shortage and 5% of them sell their family assets to meet their business and family expenditure.
26. The study clearly indicates that 90% of the respondents were borrowing funds from money lenders and indigenous bankers at higher rates of interest. Most of the street vendors are still under the clutches of moneylenders and indigenous bankers.

III. Social status of the Respondents:

The social status of the respondents is studied with the help of residence, insurance coverage and children's education, basic amenities they are having and membership with any association, etc.

Seventy-three percent of the respondents are living in rented houses. It indicated the poor economic and social status of the street vendors under study.

1. Only 46 respondents out of 120 studied have insurance coverage from the insurance company.
2. Ninety-one percent of the respondents have cell phones and 95% of respondents are having Mixer grinder/Wet grinder/LPG/ LED/LCD TV/ Dish TV Connection. Eighty percent of the respondents possess a refrigerator. Out of 120 respondents studied, 97% of them own two-wheelers. The above observations show that street vendors in Kumbakonam town possess their basic amenities.
3. Seventy percent of the respondents are spending their non-business time watching television and surfing mobile phones.
4. Only 3.33% of the respondents associated themselves with some associations.
5. Twenty-seven respondents opined that their business has been affected due to climatic conditions. They are also suffering from local persons and theft by anti-social elements.
6. Ninety percent of the respondents opined that they entered the present business due to family situations and lack of education.
7. The majority (96.67%) of the respondents expect financial support from the government for doing their business without financial difficulties. Most of the street vendors have investments of less than ₹ 50,000, which is inadequate for them to expand their business. Also, they are expecting business security and protection from local administration for doing their business without any interruption.

Conclusion

The socio-economic conditions of street vendors in Kumbakonam town are better when compared to street vendors living in other towns of many states. Out of 120 street vendors studied 95 of them earn income above ₹ 10,000 per month, 76 street vendors earn income above ₹ 15,000 per month irrespective of their business i.e., they are earning more than India's Per Capita Income of ₹ 1,42,719 i. e., 11,893.25 per month

The present study reveals that street vendors in all income segments spent within their earning capacity. One-third of the respondents are having savings. Ninety-one percent of the respondents have cell phones and 95% of respondents are having Mixer grinder/Wet grinder/LPG/ LED/LCD TV/ Dish TV Connection. Eighty percent of the respondents possess a refrigerator. Out of 120 respondents studied, 97% of them own two-wheelers. The above observations show that street vendors in Kumbakonam town possess their basic amenities. But still, 90% of the respondents were borrowing funds from money lenders and indigenous bankers at higher rates of interest.

The study proves that socially and economically poor people are under the clutches of moneylenders and indigenous bankers. Only 2 street vendors out of 120 studied borrowed funds from banks for their financial needs. They are financially excluded; hence the authorities shall take necessary steps to bring them into the formal sector. Most of the street vendors are running their business in the roadside/plot form. The local authorities may make necessary arrangements to have permanent shelters to protect their business from natural climatic conditions.

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