



## AN EMPIRICAL STUDY ON INCREASING RETAIL OPPORTUNITIES FOR STREET FOOD VENDORS OF GANDHINAGAR DISTRICT IN GUJARAT

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### ABSTRACT

*According to the Ministry of Housing and Urban Poverty Alleviation, there are 10 million street vendors in India. Street food is available in a public place from a vendor on a street at a reasonable rate. Street food is tasty, ready to eat food or drink sold on the street, in a park, market, fair or other public places. Street vending is essential economic activity in urban India. Street food vendors are generally of small size nature. It requires relatively simple skills, basic facilities and small amounts of capital so they are very numerous and have considerable potential for generating income and employment in urban economies. It has been seen for a long time that the area of street food vending was ignored and hidden. In recent studies, many academician and researchers proved that this sector is a savior to the unemployed youth. This field is much more compensatory in terms of income generation and the social upliftment. This study is an earnest attempt in this direction. This paper covers the income generation potential of the street food vendors in Gandhinagar district.*

**Keywords:** Opportunity, street food vendors, income generation, Social upliftment

**JEL Classification:**I2-L26

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## **1. INTRODUCTION**

Street vendors have been existence since ancient times. In all civilization, ancient and medieval, one reads accounts of traveling merchants who sold their wares in towns by going from house to house. The main difference was that while shopkeepers and other merchants had fixed places, to carry out their business. Street food vendors as their name suggests had no permanent places for their trade. A street vendor is broadly defined as a person who offers sale to the public without having a permanent built-up structure but with a temporary static structure or mobile stall or head load. Street food vendors may be stationary by occupying space on the pavements or other public/ Private areas or may be mobile in the sense that they move from place to place carrying their wares on push carts or in cycles or baskets on their heads or may sell their wares in moving trains, bus, etc. Street vendors are the most visible in the urban informal economy. These street traders provide cheap food, clothes, and other items for daily use. They piled their trade on either the pavements in order to attract customers who were mainly pedestrians, commuters, passengers, etc. or they moved from one place to place carrying their goods on carts. Hawkers that occupy public spaces may conduct their business from that spot for years but they do not have legal claims to that space. They can be evicted by the local authorities at any time. This sets them apart from shopkeepers and others as these people occupy space that is legally theirs and as such, they have permanency of tenure.

Street food micro industries are vital for the economic planning and development of urban and periurban economies. Street food vendors are generally, of small size nature. It requires relatively simple skills, basic facilities and small amounts of capital so they are very numerous and have considerable potential for generating income and employment in urban economies.

## **DEFINITION OF STREET FOOD VENDING**

Street food is available in a public place from a vendor on a street at a reasonable rate. Street food is tasty, ready to eat food or drink sold on the street, in a park, market, fair or other public places. Vendor's stalls are usually located outdoors or under a roof which is easily accessible from the street. Street food is sold by a hawker or a vendor from a portable stall, cart, or food truck. Most street foods are considered both finger food and fast food. They are taking more reasonably priced than restaurant meals. They have low-cost seating facilities so that they have achieved rudimentary success. Their marketing success depends exclusively on location and mouth to mouth publicity. Street food businesses are usually owned and

operated by individuals or families. Their trade benefits throughout the local economy. Street food vendors buy their fresh food locally; hence linking their enterprises directly with small-scale farms and markets will be helpful to increase the opportunity for urban street food vendors.

According to the National policy, there are three categories of street food vendors:

- Those Street food Vendors who carry out vending on a regular basis with a specific location,
- Those Street food Vendors who carry out vending not on a regular basis and without a specific location, for example, vendors who sell goods in weekly bazaars during holidays and festivals and so on,
- The mobile street food vendors.

### **ABOUT GANDHINAGAR DISTRICT**

Gandhinagar city is a head center of the Gandhinagar District and Capital of Gujarat State. Gandhinagar is located approximately 23 km north of Ahmedabad the district includes 75 villages and four talukas - Mansa, Kalol, Dahegam and Gandhinagar. Gandhinagar is divided into 30 sectors formed by roads laid in a rectangular grid with each sector having its own shopping, health, housing colonies and community centres. A large number of street food vendors are working in this district. The street food vendors are selling their different types of street foods in the platforms. Public are very interested to purchase the items sold by them. Non-Government Organizations are giving support to the Street Vendors.

Street food vendors in Gandhinagar are shown below:





## LITERATURE REVIEW

The present study is based on the following review.

(Bhattacharya, 1987) Their article entitled “*Problems of Hawkers in Metropolitan Cities: Case Study of Calcutta*” Stated that street vendors are those people who do not have a permanent place of their own and who offer goods and services without having a proper trade license for sale from public spaces. In the cities of India hawking increases with the urban growth due to the influx of rural poor to the city, in search of livelihood. Their study indicates that in Calcutta the problem is not restricted to inter-state or urban transfer but also of the influx of refugees at different spells from neighboring countries. In spite of the desperate efforts of the government to evict the vendors from streets and other places, vending has survived and continues to flourish because of their easy accessibility and low priced goods which they offer to the public in the city of Calcutta.

(Cohan, 1986) Their article entitled “*The influence of the street food trade on women and child health*”. Stated that In the Indonesian city of Bogor annual sales of street foods amount to US\$67 million.

(Todaro, 1969) Their article entitled “*A model of labour migration and urban unemployment in less developed countries*” Stated that this is a relatively significant figure considering that most of the earnings are generated locally and thereby promote economic self-sufficiency in the country. The significance of the street food industry has often been ignored because it is considered part of the informal sector. Previously, the informal sector was thought to symbolize a lack of economic development that would and should disappear with modernization. Until more permanent jobs could be provided by the modern sector, the former was expected to absorb unskilled workers who migrated to the city from rural areas.

(Kies, 1989) Their article entitled “*Street food hawkers in Southeast Asia*” Stated that Street food sellers are attracted to this occupation because of the possibility of earning relatively high incomes. In Southeast Asia, the average earnings of a vendor may be three to ten times more than the minimum wage and they are often comparable to the wages of skilled labourers employed in the formal sector. In Malaysia, net incomes varying, from US\$4 to \$36 (with an average of \$16 per day) are derived from daily sales ranging in value from \$10 to \$120.

## **STATEMENT OF PROBLEM**

Street food vendors play a vital role in the economic development of a country. The street food vendors cover a wide range of activities spread throughout the length and breadth of the country. Street food vending involves many operations from the farm to the final consumer. Generally street food vending provides a source of self-employment, and thus acts as a measure of urban poverty alleviation without Government intervention. It also acts as an investment to provide affordable as well as convenient services to a majority of urban. Street vendors are likely to have an upward trend. (Mrs. C. Pappeswari, Jan. 2014) . It has been seen for a long time that the area of street food vending was ignored and hidden. This paper covers the income generation potential of the street food vendors in Gandhinagar district.

## **SCOPE OF THE STUDY**

The study gives emphasis on socio-economic and demographic analysis of street food vendors. The study has been undertaken mainly to highlight the perspective of street food vending in Gandhinagar. It includes the income-generating potential of street food vendors and increasing retail opportunities for street food vendors in Gandhinagar district. This study is made to bring recognition of young and dynamic youth that street food vending is also one of the good options for income generation.

## **OBJECTIVES OF THE STUDY**

1. To study various socio economic and demographic factors of street food vendors in Gandhinagar district.
2. To study the reason for going into street food vending business
3. To study the Income profile of street food vendors in Gandhinagar district.

## **RESEARCH METHODOLOGY**

This section describes the methodology which includes collection of data, construction of questionnaire, sampling design, field work and frame work of analysis.

### **Collection of data**

Present study is analytical and empirical in nature and has been studied using primary data and sometimes secondary data for review and analysis. Survey method was followed for this study. The primary data were collected from respondents directly with the help of observation, personal interaction, interview schedule and questionnaire. Secondary data were collected from journals and websites.

The interview schedule was constructed by the researcher themselves. The variables to be included were identified by the researcher in the pilot study. The variables identified and converted into appropriate questions and they are included in the interview schedule questionnaire.

### **Sampling size**

The sample was selected from Gandhinagar district which was considered to be urban and rural area. The sample size was selected as 100. Out of 100 respondents 60 respondents from urban area and 40 respondents from rural area of Gandhinagar district. The urban area which consists Sector: 6, 7, 12, 16, 21, 22, 23, 24, 28, Kudasana, Infocity, Vavol, Adalaj, Pethapur and Akshardham of Gandhinagar city. And the rural area which consists: Lekawada, Rupal, Piplaj, Sadra, Chiloda, Randheja, Paliyad, Balva, Vasan and Unava villages of Gandhinagar District.

The samples were selected by applying convenience sampling technique.

### **Field work and data collection**

The researcher carried out his field work for the study during the period from June 2017 to November 2017. The required information is collected through observation, personal interaction, questionnaire, interview schedule, journals and websites.

### **Framework of analysis**

A Master table was prepared for entering response of each respondent apparently sub-cross table was made from the master table for analysis.

## Tools for analysis

Data were analyzed with the help of table and percentage. Other than text, tables and percentage are the most common method of presenting analyzed data. The collected data were presented in the table and these tables were systematically analysed with the help of simple statistical techniques such as percentage, average, ratio etc.

## RESULTS AND DISCUSSIONS

**Table: 1** reveals that the supply side of the street food sector is dominated by males. Their mean age is 37 years. **Marital status:** 86 (86 Percent) respondents were married while the remaining 14 (14%) respondents were unmarried.

**Age:** 13 (13 Percent) respondents belong to the age group between 21-30 years, 45 (45 Percent) respondents belong to the age group between 31-40 years, 31 (31 Percent) respondents belong to the age group between 41-50 years, 13 (13 Percent) respondents belong to the age group between 51-60 years, and 03 (03 Percent) respondents belong to the age group between 61-70 years.

**Education level:** 15 (15 Percent) respondents were having no education, 45 (45 Percent) respondents were having Primary education, 30 (30 Percent) respondents were having secondary education, and 10 (10 Percent) respondents were having more than higher secondary education.

**Table: 2 Reason for going into business:** 70 (70 percent) respondent's reason for going into street food vending business because it is profitable. 08 (08 percent) respondent's reason for going into street food vending business because they cannot get other job. 08 (08 percent) respondent's reason for going into street food vending business because they like cooking. 14 (14 percent) respondent's reason for going into street food vending business because they have inherited business.

**Household size:** 07 (07 percent) respondents are having household size 1-2 family members, 36 (36 percent) respondents are having household size 3-4 family members, 31 (31 percent) respondents are having household size 5-6 family members, 13 (13 percent) respondents are having household size 7-8 family members and 03 (03 percent) respondents are having household size 9-10 family members.

**Years of vending business:** 43 (43 percent) respondents are having less than 5 years of vending business experience, 35 (35 percent) respondents are having 6-10 years of vending

business experience, 7 (7 percent) respondents are having 11-15 years of vending business experience, 6 (6 percent) respondents are having 16-20 years of vending business experience, 6 (6 percent) respondents are having 21-25 years of vending business experience, and 3 (3 percent) respondents are having 26-30 years of vending business experience.

**Labour use pattern:**58 (58 percent) respondent’s labour use pattern is “self”, they don’t hired workers but they handle their business by their own because they can handle their business by self, 30 (30 percent) respondent’s labour use pattern is “family”, they are using their family members for their street vending business, because it can save their expenditure on labour and the same work can be done by the family members also and family members are loyal and vendors have high trust on their family members . 07 (07 percent) respondent’s labour use pattern is “hired only”, they hired labours because of they have required more number of people to run the business. And 05 (05 percent) respondent’s labour use pattern is “hired & family”, because they have high volume of sales and requires more persons to handle the vending business.

**Table:1 Distribution of socioeconomic characteristics of street food vendors.**

	Frequency	Percentage
<b>Sex</b>		
Female	10	10
Male	90	90
Total	100	100
<b>Marital status</b>		
Married	86	86
Single	14	14
Total	100	100
<b>Age</b>		
21-30	13	13
31-40	40	40
41-50	31	31
51-60	13	13
61-70	03	03
Total	100	100



**Education level**

No Education	15	15
Primary Education	45	45
Secondary School	30	30
Higher secondary and above	10	10

**Source:** Primary data

**Table:2**

**Distribution of vendors by household size, reasons for food vending years of vending experience and labour use patterns.**

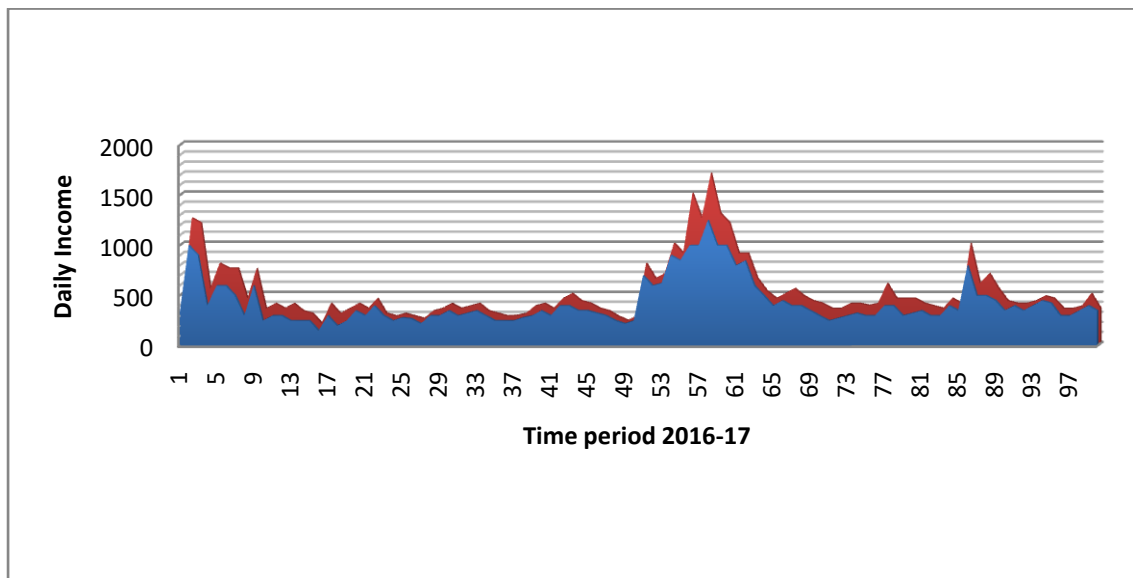
	Frequency	Percentage
<b>Reason for going into business</b>		
Profitable	70	70
Can't get other job	08	08
Like cooking	08	08
Inherited	14	14
Total	100	100
<b>Household size</b>		
1-2	07	07
3-4	36	36
5-6	31	31
7-8	23	23
9-10	3	3
Total	100	100
<b>Years of vending experience</b>		
≤ - 5	43	43
6-10	35	35
11-15	7	7
16-20	6	6
21-25	6	6
26-30	3	3

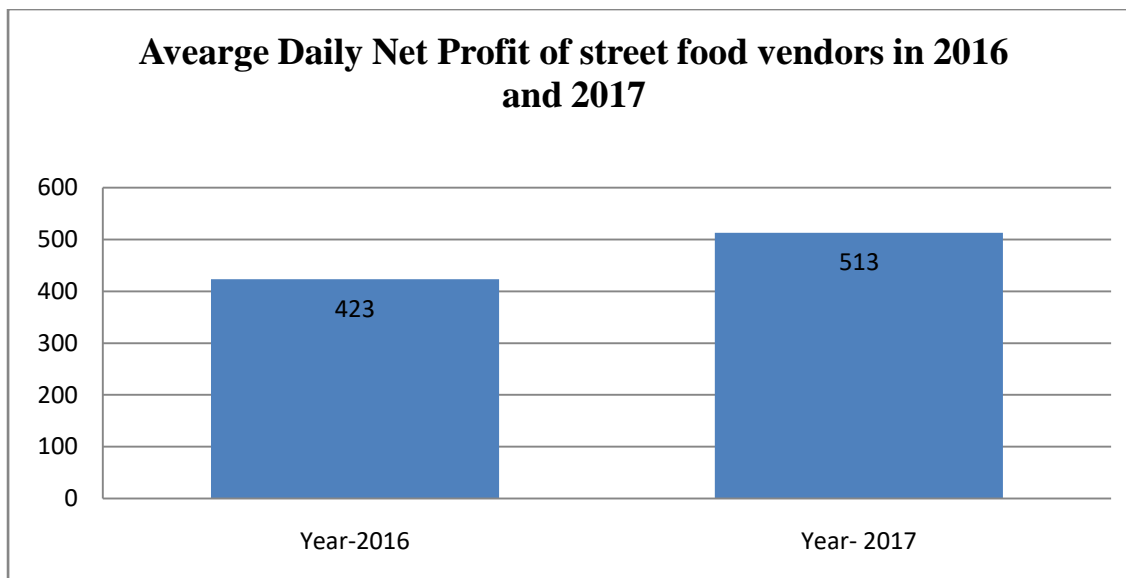
Total	100	100
<b>Labour use pattern</b>		
Hired only	7	7
Family only	30	30
Hired & Family	5	5
Self	58	58
Total	100	100

**Source:** Primary data

**Chart: 1**

**Comparative study of Daily income of street food vendors  
In the period between 2016 & 2017**





**Source:** Primary data

There has been 100 street food vendors were studied in a study of 2016 & 2017 that shown on the X-axis and on Y axis Daily income of street food vendor is shown. A comparison with the previous year 2016, the daily profit of street food vendors in 2017 is increasing. As per data analysis in 2016 the average daily income of street food vendor in Gandhinagar district is 423 Rupees, and in 2017 the average daily income of street food vendor is 513 Rupees. It means there has been the increase in average daily income of street food vendor by 90 Rupees within one year. The main reason behind the increase in average daily profit is that street food is economical and easily accessible compared with restaurants and shops charged less and provides more quantity and fresh foods. Street vending business is having one important benefit that customers will be increased with years of vending experience. The researcher has found that many street vendors are earning more than 500 rupees in a day, Itmeans that street vending is profitable and there is a high scope for youngsters who want to start their own business. Nowadays there has been found so many new inventions in street food vending business like mobile street vending carts. Mobile street vending carts can provide more profit than other street food vendor because it is easily transportable, low cost than shops and showrooms, satisfied large customer groups besides the main road, near schools, parks, hospitals etc. So we can say that there is a wide scope in street food vending business in Gandhinagar and street food vending business is developing in Gandhinagar district.

## CONCLUSION

Street food vending is a prevailing and distinctive part of a large informal sector in Gandhinagar District. It is a profitable enterprise, which could serve as primary occupation to earn a living and also serve as a source of employment generation. Urban planning with the incorporation of street vendors may improve their livelihood and working conditions. Street food vendors in Gandhinagar district has demonstrated the importance of this activity as a mean of survival and integration for migrants who have come from rural areas to the local job market which draws upon their traditional skills and offers appreciable advantages, such as low-start-up capital requirements, the reconciliation of household duties with small-scale trading and the possibility of feeding their families at low cost. Urban planning with the incorporation of street vendors may improve their livelihood and working conditions. Less than 20% of the vendors are paying rent for the space used by them. If street food vendors are regularized in Gandhinagar, then 75% of the vendors will be paying charges to GMC for used space that will become lakhs of rupees in a year. During the survey most of the vendors have shown their willingness to pay charges if they get recognition and facilities from GMC. Street food vending can be a good option for startups so there is a good retail opportunities for street food vendors in Gandhinagar district.

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