UNVEILING URBAN ENTREPRENEURSHIP: CHALLENGES AND DEMOGRAPHICS OF STREET VENDORS IN UDAIPUR CITY

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ABSTRACT

Street vendors, individuals selling goods without a permanent storefront, have become ubiquitous in major cities, particularly in emerging nations. This rise is driven by rural-to-urban migration for economic opportunities and the pressure on those with formal sector experience to join the informal sector due to closures or downsizing. This research explores the challenges faced by street vendors in the Udaipur region, shedding light on the multifaceted nature of their entrepreneurial endeavors. The study encompasses a demographic analysis of 510 street vendors, revealing the diverse educational backgrounds and essential role they play in providing goods to urban communities. Hypothesis testing confirms the existence of significant challenges, while an

in-depth examination of 31 specific issues showcases the complexity of their entrepreneurial journey. Factor analysis further elucidates the underlying components influencing these challenges. The findings contribute valuable insights to both academic discourse and practical considerations for policymakers and urban planners seeking to support and integrate this crucial segment of micro-entrepreneurs into the urban landscape.

Keywords: -Street Vendors, Entrepreneurial Challenges, Urban Micro-entrepreneurs, Demographic Analysis and Factor Analysis etc.

INTRODUCTION

The practice of selling goods on the street is ancient. One can find records of travelling merchants who did business not only in the town by going from house to home but also in the neighbouring nations in all ancient and mediaeval civilizations. Perhaps these roaming traders were tolerated by ancient and mediaeval civilisations, which is why they were successful. Nowadays, it is uncommon to treat street vendors with the same respect and patience. The urban middle class constantly complains about how these vendors make urban life a living hell because they block sidewalks, cause traffic jams, and engage in anti-social behaviour, but most of the time, these middle-class representatives prefer to buy from street vendors because the goods they sell are less expensive but the quality is just as good as those in the expensive department stores.

A street vendor is a type of micro-entrepreneur that makes a living by selling goods and services on the streets using their own meagre financial resources. Street vendors offer a low-cost, decentralised, and highly effective method of distributing a wide range of everyday necessities, including food and clothing to utensils and other items, in all Indian towns. Without them, people would have to drive great distances in order to purchase these things. Instead, they are delivered to consumers at convenient locations. Bus riders, cyclists, and pedestrians are all catered to by street hawkers and sellers. Much as drivers require tyre repair businesses, pedestrians need cobblers on the street to fix their shoes. In order to get their tyres, chains, and pedals fixed, riders need repair shops. All commuters require access to cold beverages, snacks, and other services at the side of the road. The majority of daily necessities are purchased by the middle and lower income groups from these vendors at fair prices that are frequently less expensive than the formal stores.

Street vendors, individuals selling goods without a permanent storefront, have become ubiquitous in major cities, particularly in emerging nations. This rise is driven by rural-to-urban migration for economic opportunities and the pressure on those with formal sector experience to join the informal sector due to closures or downsizing. Street vending, often synonymous with the term "hawker," operates in a disorganized fashion, often without proper authorization, making it a buyer beware market. This hyper-local form of advertising is influenced by product demand and the vendors' needs, with no set time frame for availability. Despite its prevalence, street vending as a business model lacks long-term stability, relying on market forces and individual efforts, with profit margins impacted by internal competition. Operating continuously,

it demands sales and marketing expertise, and vending machines play a role in introducing new products to the market.

This research aims to comprehensively investigate the challenges and problems faced by street vendors in the study area, shedding light on the multifaceted nature of their entrepreneurial endeavors. The research methodology involves a detailed analysis of demographic factors, such as gender, age, marital status, educational qualification, caste category, and area of domicile/nativity, offering a nuanced understanding of the street vendor profile. Utilizing descriptive statistics, the study delves into the prevalence of these factors among a sample of 510 street vendors, highlighting key patterns and disparities. Moving beyond demographics, the research employs hypothesis testing to explore the existence of challenges and problems faced by street vendors in the study area.By amalgamating statistical rigor with real-world insights, this study aspires to contribute valuable perspectives on the entrepreneurial experiences of street vendors, fostering a nuanced understanding of the challenges inherent in their trade.

REVIEW OF LITERATURE

Several street vendors are forced to take out loans from private lenders charging exorbitant interest rates just to keep their enterprises going. Businesses and microfinance programmes designed to aid sole proprietors and start-ups offer a way out of financial hardship for street vendors. However in recent years, the ethics of microfinance and credit organisations have come under investigation, and numerous cases of customer exploitation and unethical behaviour on the part of microcredit companies have been recorded in Sri Lanka **(Anjala, 2018**; **Moses, 2018).**

The study's goal is to look more closely at the lives of street vendors as they serve their communities and bring about positive change through their trade. The purpose of this qualitative cross-cultural and cross-local study of street vending is to gain insight into the ways in which these businesses contribute to the improvement of people's personal and collective lives as well as to the general prosperity of society. Findings This research shows that selling goods on the street is an innovative and life-changing kind of entrepreneurship that improves people's lives individually and as a community. Findings show that merchants bring eudaimonic and hedonic well-being to individuals, households, and communities, which in turn benefits society at large. A group of researchers **(Giraldo et al., 2020)** came at this conclusion.

Kiran and Babu's 2019 study, "Problems and Prospects of Street Vendors: A Study with Reference to Visakhapatnam City," delves into the challenges faced by street vendors, including public disapproval, police scrutiny, and political and local obstacles. The research, primarily descriptive in nature, focuses on the opportunities for enhancement in the working conditions of street vendors, particularly along the Visakhapatnam shore. The study underscores the cultural significance of street vending globally and highlights the positive contributions of street vendors to local economies, showcasing their role in developing new products, generating income, and creating jobs despite their unofficial status. The Street Vendors Bill 2013 by the Indian

government, aiming to improve conditions, is discussed in the context of this comprehensive examination conducted through convenience sampling at Bheemili Beach and R.K.Beach, both controlled by Visakhapatnam Corporation.

OBJECTIVE OF THE STUDY

- To study and understand the challenges and problems faced by street vendors in street vending in the study area.

RESEARCH METHODOLOGY

The research investigates the challenges faced by street vendors, exploring the demographic profile of 510 street vendors in the study area. Utilizing descriptive statistics, the analysis covers factors such as gender, age, marital status, educational qualification, caste category, and area of domicile/nativity. The study identifies diverse educational backgrounds among vendors, emphasizing the importance of street vending in providing essential goods to the middle and lower-income groups. Additionally, the research employs hypothesis testing to assess the existence of challenges faced by street vendors. A detailed analysis of 31 challenges, including customer relations, price fluctuations, and competition, is presented. Factor analysis confirms the suitability of the data, with a scree plot indicating the retention of seven principal components. The study contributes valuable insights into the multifaceted nature of street vendors' entrepreneurial endeavors, shedding light on their challenges and providing a nuanced understanding of their trade.

DATA ANALYSIS

Table 1: Descriptive Statistics of Street Vendors

Variable	N	Minimum	Maximum	Mean	Std. Deviation
Gender	510	1	2	1.33	0.47
Age (in years)	510	1	4	1.99	1.012
Marital Status	510	1	4	1.45	0.77
Educational Qualification	510	2	7	4.53	1.628
Caste Category	510	1	4	2.11	1.109
Area of Domicile/Nativity	510	1	3	2.26	0.706

For a better understanding of the profile of the street vendor respondents in the study, Table 1, "Descriptive Statistics of Street Vendors," gives an essential review of the most important demographic factors and their statistical characteristics.

The statistics for the "Gender" variable are first reported in the table. The data includes 510 respondents, with a minimum code of '1' for males and '2' for females. With a mean of 1.33 and a standard deviation of 0.47, the gender distribution mostly favours men, indicating that there is a fairly uniform gender distribution among the street sellers.

The "Age (in years)" variable, with values ranging from "1" to "4" signifying various age groups, is then examined. The respondents' average age is roughly 1.99, and their standard deviation is 1.012. This suggests a wide representation of age groups among the street vendors in the survey and a modestly dispersed age distribution.

The information about "Marital Status" shows that there are multiple categories of married status for respondents, which are coded from "1" to "4" in the data. The street sellers' marital status appears to vary moderately, with a bias towards particular groups, according to the mean value of 1.45 and the standard deviation of 0.77.

With a code range of "2" to "7," the "Educational Qualification" variable exhibits a mean value of 4.53 and a standard deviation of 1.628. This suggests that the respondents' educational backgrounds are quite diverse, with the majority belonging to the higher end of the spectrum.

With codes ranging from "1" to "4", the "Caste Category" variable has a mean value of 2.11 and a standard deviation of 1.109. With a mean that falls within the known caste classifications, this shows some fluctuation in the representation of various caste categories among the street sellers.

The "Area of Domicile/Nativity" variable's mean value is 2.26, and its standard deviation is 0.706 when coded from "1" to "3." This suggests that the respondents are distributed rather evenly throughout the various locations of residence or nativity.

H_{01}:   There are no problems and challenges faced by street vendors in street vending in the study area.

H_{A1}:   There are problems and challenges faced by street vendors in street vending in the study area.

Table 2: Descriptive Statistics table of challenges and problems faced by street vendors

Descriptive Statistics				
S. No	Parameters	Mean	Std. Deviation	Analysis N
C1	Customer relationship	3.45	1.075	499
C2	Price fluctuations	3.51	1.026	499
C3	Fines and Penalties	3.48	1.049	499
C4	Competition	3.55	1.011	499
C5	Customer arguments and bargaining	3.58	.963	499
C6	Loss of vending assets	3.27	.884	499

C7	Reduction in quality of material (heat, rain, and dust)	3.62	.996	499
C8	No goodwill	3.47	.976	499
C9	Stock storage place	3.41	.959	499
C10	Maintenance charges for the civic amenities	3.47	.984	499
C11	To get minimum profit	3.54	1.002	499
C12	Working Capital	3.49	1.032	499
C13	Exploitation by money lenders	3.81	1.029	499
C14	Low security for goods	3.84	.960	499
C15	To obtain materials	3.83	.913	499
C16	Drinking water at the vending place	3.73	1.066	499
C17	Shrinking space for vending	3.80	.954	499
C18	Electricity in vending place	3.60	1.191	499
C19	Hygiene and sanitation	3.81	1.041	499
C20	Restricted vending zones	3.52	.964	499
C21	Threat of eviction	3.29	1.174	499
C22	Shop/ Land owners	3.55	1.002	499
C23	Dispose of wastage	3.38	1.187	499
C24	Disrespect and Attitude of public	3.24	1.137	499
C25	Theft of goods by the customer	3.65	.908	499
C26	Bribes	3.39	1.301	499
C27	Social security	3.34	1.211	499
C28	Getting cheated by public	3.46	1.316	499

C29	Involves hard physical work	3.36	1.232	499
C30	Hostile co-workers/ street vendors	3.64	1.063	499
C31	Long working hours	1.41	.492	499

Table 2, provides an overview of the mean and standard deviation for various challenges and problems faced by street vendors, along with the number of responses considered for analysis.

The table lists 31 difficulties and issues that street vendors must deal with (labelled C1 to C31). These challenges range from customer relationships and price fluctuations to issues like hostile co-workers and long working hours.

The descriptive statistics, such as the mean and standard deviation, give an idea of how serious or intense each difficulty is thought to be. For instance, the mean for the challenge "Involves hard physical work" (C29) is 3.36, whereas the mean for the challenge "Long working hours" (C31) is 1.41. The standard deviations reveal the degree to which experiences and perceptions are scattered broadly or narrowly for each task, giving information on the variety in responses.

These data are essential for testing hypotheses and determining the type and scope of difficulties faced by street sellers in the study area. If the observed means significantly differ from a scenario in which there are no issues and obstacles, as suggested by the null hypothesis (H01), further statistical analysis can be used to determine this.

Table 3: KMO and Bartlett's Test table of challenges and problems

KMO and Bartlett's Test		
Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.914
Bartlett's Test of Sphericity	Approx. Chi-Square	11781.113
	Df	465
	Sig.	0.000

Table 3, provides important statistical measures to assess the suitability of the data for factor analysis.

The Kaiser-Meyer-Olkin (KMO) measure of sampling adequacy is a statistic that indicates the proportion of variance among variables that might be common variance. The KMO measure in this instance is 0.914, which is much higher than the permissible value of 0.6 and indicates that the data is ideal for factor analysis. If the KMO value is near to 1.0, the variables are good candidates for factor analysis.

Additionally, the null hypothesis that the variables are uncorrelated in the population is tested using Bartlett's Test of Sphericity. The test's outcome displays a about 11781.113 chi-square value, 465 degrees of freedom, and a significance level (Sig.) of 0.000. The data are suitable for

factor analysis because of the extremely low p-value (less than 0.001), which shows that the correlations between variables are sufficiently distant from zero. The results here shows that there are problems and challenges faced by street vendors in street vending in the study area. Overall, the challenges and problems data are suitable for doing factor analysis, providing for a deeper understanding of the underlying elements driving street vendors' experiences and obstacles, according to both the high KMO value and the considerable Bartlett's Test.

Table 4: Communalities table of challenges and problems

| Communalities			
S. N	Parameters	Initial	Extraction
C1	Customer relationship	1.000	.637
C2	Price fluctuations	1.000	.636
C3	Fines and Penalties	1.000	.669
C4	Competition	1.000	.583
C5	Customer arguments and bargaining	1.000	.626
C6	Loss of vending assets	1.000	.670
C7	Reduction in quality of material (heat, rain, and dust)	1.000	.529
C8	No goodwill	1.000	.670
C9	Stock storage place	1.000	.766
C10	Maintenance charges for the civic amenities	1.000	.613
C11	To get minimum profit	1.000	.834
C12	Working Capital	1.000	.773
C13	Exploitation by money lenders	1.000	.721
C14	Low security for goods	1.000	.657
C15	To obtain materials	1.000	.686
C16	Drinking water at the vending place	1.000	.580
C17	Shrinking space for vending	1.000	.653
C18	Electricity in vending place	1.000	.782
C19	Hygiene and sanitation	1.000	.562
C20	Restricted vending zones	1.000	.594
C21	Threat of eviction	1.000	.845
C22	Shop/ Land owners	1.000	.698
C23	Dispose of wastage	1.000	.862
C24	Disrespect and Attitude of public	1.000	.821
C25	Theft of goods by the customer	1.000	.570
C26	Bribes	1.000	.939
C27	Social security	1.000	.896
C28	Getting cheated by public	1.000	.900
C29	Involves hard physical work	1.000	.887

C30	Hostile co-workers/ street vendors	1.000	.690
C31	Long working hours	1.000	.806
Extraction Method: Principal Component Analysis.			

Table 4, lists the communalities for each challenge and problem that underwent Principal Component Analysis (PCA). Communities show the percentage of each variable's variance that the extracted components can account for.

The communalities shed light on how much the underlying elements discovered using PCA influence each challenge or issue. A higher score means that the extracted components account for a larger part of the variance in the challenge or problem.

The high extraction communalities value of 0.834 for Challenge C11, "To get minimum profit," indicates that the underlying components discovered by PCA account for a sizeable amount of the variance in this challenge. The lower extraction communalities score of 0.529 for Challenge C7, "Reduction in quality of material (heat, rain, and dust)," suggests that PCA may not account for as much of the variance in this challenge.

These communalities are crucial for comprehending how the extracted components affect the difficulties and issues that street vendors confront, and they will be useful in following analyses.

Graph1: Scree plot graph of challenges and problems faced by street vendors
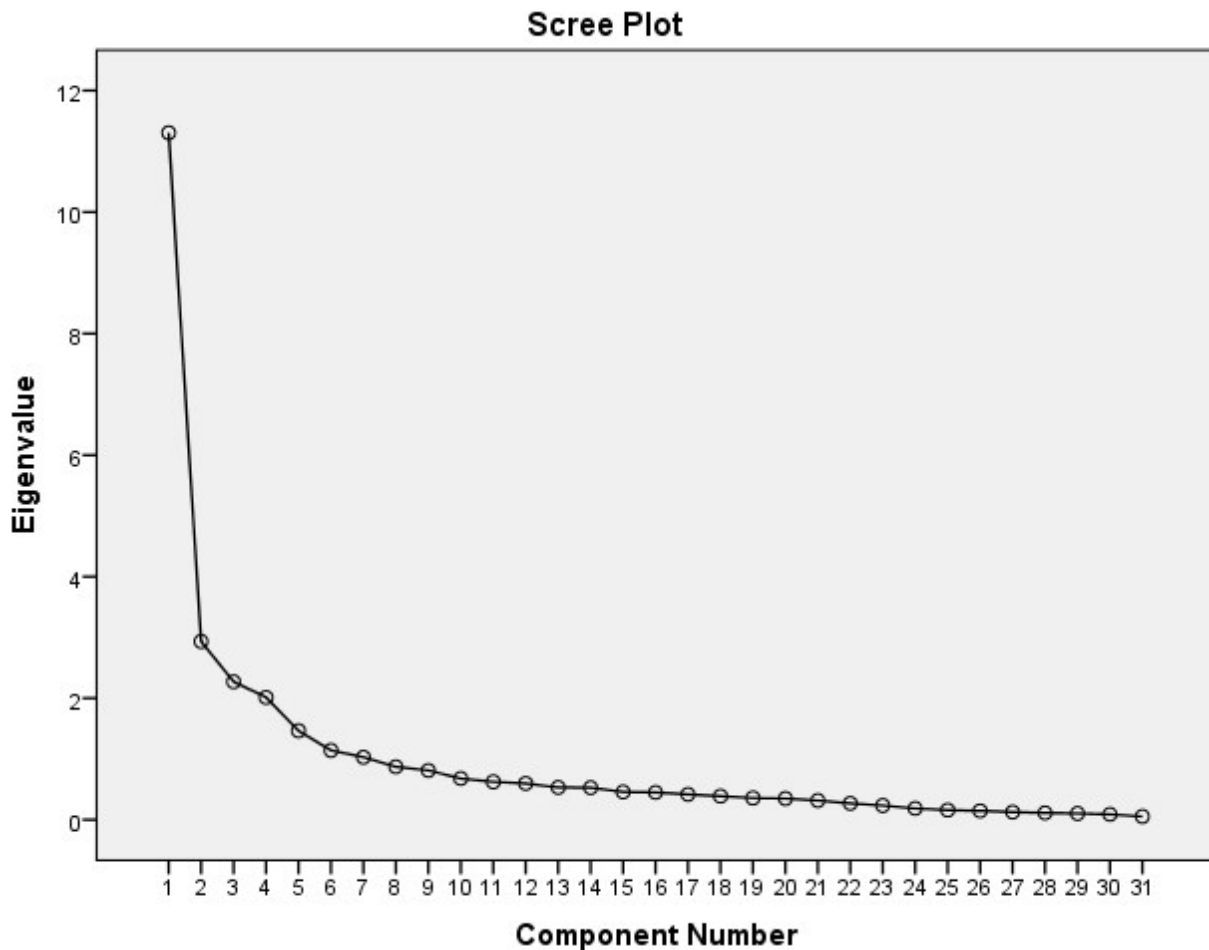
Finding the ideal number of factors (principal components) to retain in a Principal Component Analysis (PCA) requires understanding how to interpret a scree plot. Only the first 7 elements can be preserved when you see that the scree plot flattens after the seventh factor.

The eigenvalues of each factor (principal component) are shown graphically in descending order on a scree plot. The amount of variation in the data that is explained by each eigenvalue depends on the relevant factor. The eigenvalues and factor numbers are commonly displayed on the y-axis and x-axis, respectively, of the scree plot.

The scree plot has demonstrated a clear pattern of eigenvalues dramatically reducing up to the 7th factor, after which the eigenvalues become rather steady and do not significantly decrease. The "elbow" of the scree plot is the location where the eigenvalues level off.

1. The first few factors (in this case, the first 7 factors) explain a substantial amount of the variance in the data. These variables identify the most important structures and patterns in your data.

2. Additional factors do not significantly contribute to explaining additional variance in the data. This implies that the other components can include noise or small patterns that don't significantly enhance your data's knowledge.

In conclusion, if a scree plot flattens out after the seventh component, it indicates that you should think about keeping only those seven variables since they reflect the main underlying structure in your data and that adding more factors may not have enough explanatory value.

Table 5: Total Variance Explained table of challenges and problems

Total Variance Explained						
	Initial Eigenvalues			Extraction Sums of Squared Loadings		
Component	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	11.305	36.466	36.466	11.305	36.466	36.466
2	2.933	9.463	45.929	2.933	9.463	45.929
3	2.272	7.327	53.257	2.272	7.327	53.257
4	2.013	6.494	59.751	2.013	6.494	59.751
5	1.464	4.723	64.473	1.464	4.723	64.473
6	1.141	3.680	68.154	1.141	3.680	68.154
7	1.029	3.318	71.472	1.029	3.318	71.472
8	.871	2.810	74.282			
9	.811	2.617	76.899			
10	.678	2.186	79.084			
11	.624	2.012	81.096			
12	.597	1.926	83.023			
13	.530	1.710	84.733			
14	.527	1.700	86.433			
15	.456	1.472	87.904			

16	.449	1.448	89.352				
17	.417	1.346	90.698				
18	.386	1.247	91.945				
19	.357	1.153	93.097				
20	.349	1.126	94.224				
21	.316	1.019	95.242				
22	.269	.869	96.111				
23	.234	.755	96.867				
24	.185	.598	97.465				
25	.158	.511	97.976				
26	.146	.470	98.446				
27	.126	.407	98.853				
28	.112	.360	99.213				
29	.103	.332	99.545				
30	.088	.283	99.828				
31	.053	.172	100.000				
Extraction Method: Principal Component Analysis.							

In Principal Component Analysis (PCA), the "Total Variance Explained" table shows how much of the overall variation in the data is explained by each principal component. The major component number is displayed in the first column, "Component." The variance of the data in each component prior to extraction is shown in the following column, "Initial Eigenvalues." These numbers represent the amount of variance that each element could account for independently.

Component 1 explains 36.466% of the total variance in this instance, and this percentage gets smaller as you add other components. The last column, "Cumulative%," displays the overall proportion of variance that is explained. The total proportion of variation explained by include

that component and all the preceding ones increases as you progress down the list of components. 71.472% of the total variation is explained by the 7th component.

1. Component 1 is the most significant, alone accounting for 36.466% of the variance.

2. The 7th component accounts for 71.472% of the overall variation. Each new component after this one makes a comparatively smaller contribution to the variance explanation.

3. The amount of variance that needs to be explained and the level of dimensionality reduction sought determine how many components should be kept.

4. The first seven components would capture a significant amount of the dataset's overall variance if they were kept.

CONCLUSION

In conclusion, this research delves into the intricate landscape of street vending, unraveling the challenges faced by 510 street vendors in the study area. The detailed demographic analysis reveals the diversity in educational backgrounds and the critical role played by street vendors in providing essential goods to urban communities. The hypothesis testing underscores the existence of significant challenges, while a comprehensive examination of 31 specific issues, from customer relations to threats of eviction, highlights the multifaceted nature of their entrepreneurial journey. Factor analysis confirms the relevance of the data, allowing for a nuanced understanding of the underlying components influencing these challenges. The findings not only contribute to the academic discourse surrounding street vending but also offer practical insights for policymakers and urban planners to better support and integrate this crucial segment of micro-entrepreneurs into the urban fabric.

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