

TITLE: COVID-19 OUTBREAK: THE IMPACT ON STREET FOOD VENDORS IN INDIA

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Abstract

The COVID-19 outbreak has had a significant impact on street vendors selling food, mainly in India, affecting various sectors of the economy. This study examines the impact of the pandemic on street food vendors in India, including multiple perspectives such as economics, society, and health. This study investigates the effects of lockdowns, restrictions on movement, and health anxieties on the economic activities of street food vendors. The research utilizes primary data obtained from interviews with street vendors from Jammu, Punjab, Delhi and Uttar Pradesh, as well as secondary data derived from Publications, government records and media sources. The paper examines how digital adaptations, community support structures, and government initiatives in the informal sector can potentially mitigate these effects. Consumer behavior has shifted towards sanitation and safety, resulting in significant financial losses for vendors, an increase in food insecurity, and heightened health concerns. The paper underscores the importance of street food culture in urban India's socio-economic stability. It highlights the need for comprehensive governmental actions to preserve the informal sector.

Keywords: Covid-19, street-food, hygiene, health, econo

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Introduction

The street food culture in India is an integral part of city life, providing millions of people with the opportunity to experience a diverse range of flavours conveniently. The significance of this industry lies in its role in facilitating social connections and preserving cultural heritage, while contributing to the economy through extensive employment opportunities and income growth. In India, a significant number of individuals, particularly those with less education or skills, depend on street food vendor occupation as their primary source of income. These vendors have a crucial function in the informal economy. According to the National Association of Street Vendors of India (NASVI, 2021), India has a population of over 10 million street vendors, with a significant majority specializing in food sales. Due to the few barriers to entry, a significant number of individuals, particularly women and migrants, can secure employment in the street food sector.

In addition to their own income, street food vendors also make significant contributions to the economy through several means. Due to their ability to offer affordable food choices to a wide range of individuals, including those with limited financial resources, they play a crucial role in the urban food distribution network. This contributes to the overall economy by enhancing worker efficiency and reducing urban food scarcity (Bhowmik, 2005). Street food vendors contribute to the local economy by purchasing ingredients from farmers' markets and similar places.

However, the lack of recognition from regulatory bodies can undermine the economic prospects of this region. As stated by Anjaria (2006), vendors frequently face the risk of being forced to leave, intimidated, or extorted, which significantly hampers their ability to establish and sustain a prosperous and enduring business. The sector's economic contributions could be enhanced through the formalization process, which involves improving vendor security, enhancing finance availability, and expanding business prospects.

The Indian street food tradition is profoundly embedded in Indian society and serves as more than just a way to sustain oneself. The convergence of diverse populations at street food markets promotes mutual comprehension and embrace of each other's cultural backgrounds. As stated by Sengupta (2020), these locations facilitate social interaction among individuals from all origins and socioeconomic statuses, fostering a more inclusive and hospitable atmosphere.

Moreover, street vendors in India have a significant impact on the promotion and preservation of the nation's culinary heritage through their focus on regional or traditional cuisines. These vendors uphold and disseminate traditional food by safeguarding recipes and culinary techniques that have been transmitted across numerous generations (Banerjee, 2014). In today's rapidly urbanizing and globalizing world, traditional eating practices face the risk of being replaced by more marketed and standardized alternatives. Therefore, it is more important to preserve culinary heritage.

Methodology

Street Vendors in India faced unforeseen obstacles due to the COVID-19 pandemic; yet, they also uncovered novel prospects that were previously unknown to them. This paper aims to examine the challenges faced by street sellers in different cities during the pandemic and the innovative strategies they adopted to sustain their operations. The paper utilizes original sources, including interviews and surveys.

A survey was conducted to collect primary data from fifty street vendors in several cities, such as Jammu, Punjab, Uttar Pradesh, and Delhi. Data collection involved the administration of questionnaires and conducting interviews using a semi-structured style from March to August 2021. We conducted a survey to collect information from vendors on the health, social, and economic difficulties they encountered, as well as the possibilities arising from changes in client preferences, new government initiatives, and technological advancements.

Covid-19: Challenges faced by Street Vendors

Generally, the street food industry faces numerous challenges, including concerns about health and safety, compliance with regulations, and a lack of necessary infrastructure, despite its significant importance. The absence of appropriate sanitary facilities and waste management systems has a detrimental effect on both public health and the reputation of the sector, leading to food safety issues (Bhowmik, 2005). The social and economic advantages of street food activities can be enhanced by targeted interventions that address impediments and increase their safety, quality, and sustainability.

One of the major challenges encountered in the primary data was the unforeseen decline in revenue due to shutdown restrictions. Amidst the peak periods of the lockdown, vendors reported a significant decline in their daily earnings, ranging from 80% to 100%. A vendor from Delhi asserted, "Prior to the epidemic, I was able to generate approximately ₹1,500 per day on a favourable day. During the lockdown, I was earning a meagre sum of only ₹200."¹ An increase in economic volatility occurred as suppliers with minimal or non-existent resources struggled to cover essential expenses.

Broadly, the COVID-19 outbreak had a significant impact on all sectors of India's economy, with street vendors being the most severely affected. India's informal economy heavily depends on street sellers, who faced significant challenges due to health issues, limitations on movement, and enforced closures. The epidemic had a direct impact on more than 10 million street traders, as estimated by the National Association of Street sellers of India (NASVI) (The Economic Times, 2020). The crisis brought to light various challenges faced by these providers, including financial instability, public health concerns, and regulatory obligations.

The rapid decline in earnings during the outbreak posed a major challenge for street vendors. As a result of the reduced number of customers due to lockdowns and movement restrictions, they were unable to operate in their usual manner. Due to the outbreak, numerous vendors had financial vulnerability as their daily cash flow was disrupted, leading to difficulties in paying for essential needs such as food, housing, and medical treatment.

In June 2020, the government introduced the PM SVANidhi scheme which offers unsecured loans to street vendors, enabling them to revive their businesses. Notwithstanding the government's endeavours to provide financial assistance via the Pradhan Mantri Street Vendor's Atmanirbhar Nidhi (PM SVANidhi) initiative, certain vendors have expressed grievances on the challenges associated with acquiring these loans. Street vendors often lack access to official financing, exacerbating their difficulties in recovering from financial failures.

On ground, a few were aware of the initiative, and among them, some lacked the necessary documentation or were unfamiliar with the process of submitting applications electronically. A Vendor from Jammu stated, “We lack the essential documentation and registration for organization. Regrettably, I was unable to complete the submission of my loan application due to the unavailability of the requisite documentation.”² This is clearly evident from the exclusion of numerous informal dealers from the official relief efforts. According to Kundu (2020), numerous vendors encountered difficulties in obtaining these funds due to bureaucratic procedures and insufficient documentation. The street vendor community's lack of financial robustness was shown during times of crisis, highlighting their inherent vulnerabilities.

The pandemic has exposed the challenges that street vendors face in terms of health and safety. Sellers in bustling, outdoor marketplaces were at a higher risk of contracting COVID-19. Due to the informal nature of their employment, these individuals may lack access to adequate healthcare and clean water (Singh, 2020). The decline in sales and ongoing economic instability were attributed to customers' hesitancy in buying food from street vendors, driven by apprehensions about the virus and health-related issues. Vendors by adopting new hygiene protocols, such as the utilization of masks, hand sanitizers, and social distancing measures, in order to address safety concerns (Banerjee & Saha, 2020). However, several vendors experienced financial strain due to the cost of implementing and maintaining these safety protocols.

As a result of the heightened risk of developing COVID-19 in densely populated marketplaces, sellers have reported greater concerns over their health and safety. Essential sanitary facilities, such as handwashing stations and mask-wearing areas, were not available to a large number of people. “I lacked the financial means to purchase masks or sanitizer on a daily basis, disclosed vendor in Punjab. Prospective customers will be deterred by the absence of cleanliness and would refrain from making purchases from establishment.”³ This not only jeopardized the well-being of the vendors, but also deterred prospective customers, further diminishing their revenues.

Street sellers have long faced regulatory problems such as the lack of formal recognition, harassment, and evictions. The COVID-19 pandemic exacerbated these challenges as municipal authorities implemented more rigorous regulations to oversee public spaces. In addition to impeding their capacity to generate income, vendors were forcibly removed or prohibited from operating in specific areas of several cities (Chatterjee, 2020). Due to their lack of registration or sufficient documentation to prove their eligibility for relief programs, street vendors, who operate in an informal manner, face additional challenges in accessing government help.

Several sellers experienced persecution from local authorities, exacerbating the regulatory challenges resulting from the pandemic. Due to stricter limitations on public spaces, many

² Gandhi Nagar, Jammu, 2021

³ Amritsar, Punjab, 2021

individuals were forced to vacate their usual locations. One vendor in Lucknow, Uttar Pradesh voiced his exasperation, stating, "Despite the vacant streets, we were forcefully driven away and prohibited from conducting sales."⁴ This further impeded their ability to earn a living. The majority of those engaged in street vending are economically disadvantaged, and they were the ones subjected to social stigmatization throughout the pandemic. Further ban from metropolitan regions was implemented due to the perception that street sellers could potentially transmit the virus (Deshpande, 2020). A significant number of individuals were wrongly implicated in the dissemination of the virus, resulting in their increased social marginalization and a subsequent decline in their consumer demographic. This further increased their susceptibility.

Thus, Indian street sellers encountered significant challenges due to the COVID-19 outbreak, although they also discovered prospects for resourcefulness and resilience. To sustain their companies under lockdowns and mobility restrictions, some vendors resorted to utilizing digital tools, government initiatives, and adapting to evolving consumer expectations. Although they sprang from a calamity, these prospects have significant potential to enhance India's street food selling industry. Let's explore about covid-19 led opportunities in next section.

Covid-19: New opportunities

The COVID-19 epidemic has not only shown the vulnerabilities of the sector, but also presented new opportunities for expansion and flexibility. Many suppliers have embraced digital platforms for orders and payments, enabling firms to not only endure the crisis but also expand their client base and modernize their processes (Sengupta, 2020). Enhanced formalization and support from both the public and commercial sectors could bolster this vital enterprise.

One of the benefits that street vendors obtained from the pandemic was the chance to market their products online. Amidst lockdowns, businesses adapted by embracing digital payments and implementing online delivery services to connect with consumers amidst social isolation and mobility constraints. Zomato and Swiggy, which were previously primarily focused on the restaurant market, have now introduced initiatives to incorporate street vendors onto their platforms (Pandey, 2020). Due to the transition to digitalization, merchants were able to continue providing goods and services to clients and expand their customer base outside their local regions. Despite the constraints to sell foods at public places, Swiggy and Zomato, renowned food delivery platforms, have introduced more vendor categories to facilitate the sale of street vendor's products. A significant number of sellers have already reported transitioning to the new system. "I initiated the process of accepting orders through WhatsApp and collaborated with a delivery assistant, elucidated a merchant from Delhi, notwithstanding the lockout, I managed to maintain a consistent influx of money as a result of it."

There was also an increase in the adoption of digital payment options. Customers showed a preference for contactless payments, which benefitted businesses who transitioned to digital payment platforms like as Paytm, Google Pay, or PhonePe. This measure also served to minimize the manipulation of cash, which might potentially serve as a means of transmitting COVID-19. As to a vendor based in Jammu, the majority of clients now choose to make payments using Google Pay due to its enhanced security and faster transaction speed.⁵ Due to the transition to digital payments, suppliers were able to maintain their financial stability despite economic uncertainties (Banerjee, 2021). Furthermore, it facilitated merchants in establishing credit, a valuable asset when seeking official financial services in the future.

Commencing in June 2020, the PM SVANidhi initiative offered a crucial support system for vendors, enabling them to obtain loans of up to ₹10,000 without the need for collateral. The objective of this program was to assist vendors in recovering from the lockdown by offering them tools and incentives to adopt digital transactions and encourage financial inclusion (Ghosh, 2020). "With the ₹10,000 loan, I could buy fresh stock and restart my stall when the restrictions eased," claimed a vendor from Punjab who received a loan of ₹10,000.⁶ During the initial period of lockdown, suppliers were not able to recover and get their operations back up, but later, they were running with the assistance of this financial assistance.

By the start of 2021, over 25,000 vendors had submitted applications for the scheme, and loans amounting to more than 2,000 crore were authorized. Loans enabled numerous vendors to restock their product, invest in safety equipment such as gloves and masks, or make little enhancements like acquiring mobile carts. In addition, the program provided monetary rewards to shops who agreed to accept digital payments.

Moreover, consumer interests shifted towards cleanliness and food safety during the pandemic. Providers had an opportunity to strategically reposition their services by highlighting cleanliness and security in response to changes in client behaviour. Street vendors implemented several safety precautions, such as wearing masks, using hand sanitizer, and utilizing protective booth coverings (The Indian Express, 2020).

In the eyes of customers, the rise in cleanliness requirements presented an opportunity for businesses to regain the trust of prospective customers. A significant number of vendors made an attempt to maintain a clean environment by doing actions such as often washing their shopping carts, donning masks, and providing hand sanitizer to customers. "A mask and gloves were something I started wearing on a daily basis, A seller went so far as to declare, Some customers appreciated it and returned to buy from me every day."⁷ As a result of the

shift toward cleaner practices, providers gained access to a consumer base that was more concerned about their health. Street vendors can differentiate themselves from their competitors by meeting the increasing need for nutritious food choices. Amidst the outbreak, merchants who exhibited meticulous hygiene practices gained the confidence of their clients and managed to retain or even expand their customer base (Singh, 2020).

Moreover, the epidemic has prompted businesses to engage in innovation and expand their range of services. Certain street vendors have transitioned from selling their typical merchandise to offering essential items such as vegetables, groceries, and homemade masks. They successfully navigated the lockdown period, during which there was a decrease in demand for some goods, such as street food, due to a strategic change they made. Some establishments introduced herbal teas and fresh juices to cater to the increasing demand for nutritional and immune-enhancing choices (Chatterjee, 2020). A vendor stated, “As a result of observing a decrease in sales of food, I moved my attention to selling vegetables and needs. It kept me going when other vendors shut down.”⁸ Through the process of diversification, businesses were able to maintain their existing operations, and vendors were able to adapt to the ever-evolving demands of their respective communities.

Thus, these innovations not only allowed suppliers to stay relevant during the outbreak, but they also laid the foundation for future business models that are more sustainable and varied. Despite the COVID-19 outbreak posing significant challenges, it presented new opportunities for street merchants in India. The street vending sector has experienced increased resilience and activity as a result of many causes, such as the adoption of digital platforms, government assistance through the PM SVANidhi initiative, a change in customer preferences towards cleanliness, and a wider range of products. Following a pandemic, these adaptations have the potential to stimulate economic empowerment and formalization by enhancing the sector in the long term.

Analysis

During the COVID-19 epidemic, the vulnerabilities of India's street sellers were brought to light. The sudden cessation of daily earnings, the restricted availability of financial assistance, and the regulatory obstacles all contributed to the utter devastation of their economic situation. As a result of their lack of social security or appropriate identification, many vendors/merchants operating in the informal market were unable to participate in government aid programs such as PM SVANidhi. The intimidation employed by the authorities, the presence of potential health risks, and the lack of access to fundamental sanitary services made an already challenging condition considerably more difficult.

Nevertheless, in the middle of these challenges, new chances presented themselves. In order to maintain their businesses and bring in new clients during lockdowns, street vendors have begun to utilize internet channels for the delivery of food and the collecting of payments.

Those companies who were successful in incorporating safety and sanitary measures into their operations became well-known and respected names in the sector. In order to weather the storms of the economy, vendors were able to broaden their product lines to include essentials such as food and safety equipment.

Over the course of the pandemic, the street vendor industry in India shown an extraordinary capacity for resilience. The effects of the crisis put pressure on suppliers, and as a result, they were compelled to come up with fresh and original concepts. With the use of digital tools and the formation of partnerships with e-commerce companies like Zomato and Swiggy, traditional merchants who had previously relied on cash and in-person transactions experienced a significant shift in their business model. When it came to preserving sales and providing vendors with opportunity to develop credit through official financial institutions, the rise of digital payment methods was very essential.

New options for vendors to compete with more traditional food outlets were made available as a result of the emphasis placed on sanitation. This was accomplished by putting an emphasis on evident safety precautions. Merchants now have the opportunity to include cleanliness and quality into their company plan as a result of the change in demand that has occurred. It is possible that this will result in a more diversified clientele even after the pandemic has passed.

In the future, there is potential for the street vendor industry in India; but, in order to realize this potential, it would require favourable policies, more solid institutional structures, and financial resources. In order for merchants to have easier access to government programs and protection from authorities, they need to establish their relationships with the government through registration and paperwork. To ensure the continued expansion of the sector over the long term, it is essential to broaden the scope of the benefits offered by programs such as the PM SVANidhi plan. This will allow a greater proportion of the vendor population to take part in the program.

In order to build upon the digital transformation that was observed during the pandemic, there needs to be a greater emphasis placed on digital literacy among vendors. By integrating digital payment and e-commerce platforms into their businesses, street vendors in India have the potential to expand their consumer base and boost their financial inclusion.

Conclusion:

The street food culture in India is a dynamic and significant component of the nation's economy and society. Not only does it provide money for millions of individuals, but it also plays a crucial role in community development, preservation of culinary customs, and the economic well-being of cities. The complete realization of this sector, which is a fundamental aspect of sustainable urban development in India, can be achieved through the government acknowledgment and regulation.

Prior to the onset of the COVID-19 pandemic, Indian street vendors were already in a precarious position. This community was severely impacted by a combination of significant challenges, including as economic instability, health dangers, regulatory barriers, and social marginalization. Although initiatives such as PM SVANidhi provided some relief, the crisis highlighted the necessity for stronger laws and protections to assist street vendors in enduring such challenges in the future.

Last but not least, in order to ensure increased resistance to future catastrophes, systemic adjustments are required. It is important for vendors to have access to fundamental infrastructure, such as inexpensive loans and micro-insurance, as well as healthcare and sanitation facilities, so that they can protect themselves and their businesses in the event of disruptions. In addition, by taking part in meetings pertaining to urban planning and policy, vendors have the opportunity to have their requests addressed and their contributions to the economy acknowledged.

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