

STREET VENDING LOCATIONS: THE DETERMINANTS AFFECTING THE CHOICE OF LOCATION OF STREET VENDORS AT SCIENCE CITY OF MUÑOZ, NUEVA ECIJA

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ABSTRACT: *Street vendors add life to streets that are empty of activities, discouraging antisocial behavior by acting as eyes on the road. Informal economy make up to 72.5% employment including vendors in the Philippines. Local governments regulate the vendors to improve community image, to protect shops and restaurants, to avoid sidewalk congestion, and to reduce the liability of adjacent businesses. The purpose of this study is to provide baseline data on the general picture of how street vendors set up their place and it helps street vendors to minimize the cost of competition. This research was conducted with descriptive approach to recognize the different variables needed and assess to reveal the reasons choosing street vending locations. Furthermore, the location of the street vendors have a positive effect on customers because of the accessibility to all types of transportation.*

KEYWORDS -accessibility, competition, informal economy, local government, street vendors

I. INTRODUCTION

Streets all over the world are full of vendors selling everything from fried foods, fruits and vegetables to cell phone covers to fabrics and clothing. These sidewalk vendors bring everyday goods to consumers at lower prices in places accessible to them at transport terminals, near offices and parks and outside residential clusters (Roever, 2014). Informal economy make up to 72.5% employment including vendors in the Philippines according to the International Labor Organization Report (Pasteels, 2013). Everyday street items are bought by consumers at low consumable amount and as many who engage in this for a living would attest, it is “isang kahig, isang tuka” or “living from hand to mouth” each day as the Filipino idiom goes. This is an important role for the urban poor who cannot afford to shop at supermarkets.

As stated in the Constitution, Article 2 Section 5 that “the maintenance of peace and order, the protection of life, liberty, and property, and the promotion of the general welfare are essential for the enjoyment by all the people of the blessings of democracy.” Presently, different cities and municipalities nationwide threaten or even arrest street vendors who are not able to present a Mayor’s permit or municipal license or receipts and sometimes they even charge them with illegal peddling. Therefore, less fortunate vendors are forced to become roving vendors, whose only desire is to earn a few pesos over their low capital in order for them to survive in everyday life. For that reason, this bill introduced by (Estrada, 2004) grants the vendors a chance to become worthy and useful citizen of the Philippines. To give grounds for these practices many specialists use the argument that they are “cleaning up” “decongesting” or “modernizing” the city. All of this makes it hard to earn a stable income, which affects the family or a person to live (Benitez, Grice, & Harvey, 2017).

Other factors create more serious sidewalk obstructions, while the presence of vendors is often considered a bonus for pedestrians. Further, observations by urban planners indicate that vending and other small businesses make urban residents more likely to walk by providing a range of goods and services within walking distance (Skinner & Reed, 2018). Informal food retailers remain skilful at responding to the needs of poor urban citizens. For these consumers, their income is inconsistent; they may lack of storage space and refrigeration; and they use public transport, which limit the quantities that can be transported. These challenges

were force low-income households to purchase food more frequently (Skinner & Haysom, 2018). Street vendors face difficult challenges while managing their livelihoods in public spaces this includes poor infrastructure, mainly around access to clean water and toilets, often causes disorder on their working lives. Limited access to toilets and finding water can reduce their earnings (Carr, 2018).

Street vendors' generate demand for a wide variety of services provided by other informal workers even by formal sectors both private and public, as a result contributions to urban life go beyond their own self-employment (Roever, 2014).

II. LITERATURE REVIEW

1. Evolution of Markets

Culture and consumption pattern plays an important role in determining the characteristics of markets and shaping business relations. The curve of market evolution and change in the marketing strategies can be viewed in reference to consumption patterns, economic history, and the structure of local labour markets. The local culture is impacted in urban settings that are evolved historically. Interaction and local culture are essential parts of business community and play guiding role in measuring the consumer behaviour to develop marketing strategies by the firms (Brennan, 2009). The standard preferences of ethnic culture is integrated to the traditional consumption practice. It is emerged in multi-cultural demographic contexts the constant interest in consumer developing composite cultural identities. The evolutions among majority of users and the local to global culture dichotomy are visible to a wide diversity. The collection of local, global cultural demographics and markets deploy varied consumer attitudes are learnt, acquired, and shared consumption cultures. The marketing strategies of customer focused often initiate consumer acculturation into foreign cultures as other discrete influences in multi-cultural marketplaces and builds a more clear interaction with changing consumers' perceptions (Kipnis, 2014). In Latin American countries street markets have emerged not only as a social meeting place for people but also are considered as political grass roots to institutions to disseminate ideologies and debates on the present issues. The distinct separation pattern of urban areas, transit system, and state-licensed street markets permit greater contact between rich and poor and foster vital public spaces. These markets reflect the characteristics of users, varying degrees of accessibility to diverse populations, and state policies toward markets (Stillerman, 2006).

The street markets exhibit the ethnographic impact in urban economy where sellers find their market on the street and social interventions that propel passers-by into buying behaviour. In street markets social and economic activities are encouraged through interactions from prospecting the customers through to realizing the sales. The street vendors are contextually embedded in the urban landscape, and operate within the urban social order (Burrow & Llewellyn, 2008). Street markets are also known as informal markets which have higher sociological values and low economic gains. Location of the street and size of the market play a critical role in establishing the socio-economic thrust among the customers in the area. Pro-active customer support the trade in street markets and represent powerful socio-economic hierarchies based on gender, age and class (Bass, 2000). Consumer behaviour and informal economic activity within the urban lower middle class demographics in urban areas are closely related. Street vendors tend to offer innovative products in emerging markets, targeting the consumers falling largely in the middle class demographics segment (Mcbride & Gillespie, 2000).

2. Ethnicity Trends

Ethnicity is blended in the street markets that attracts largely elderly segment of population comprising elderly household women and retired people, and children staying at home in urban demographics. Through street markets deal with household consumer goods and fast of traditional and ethnic value of consumers and facilitate both consumer understanding and market development. The street vendors know how to market their products to their target customers and how to emphasize commonality with the mainstream markets and where the differences lie (Emslie, 2007). Over past few years working consumers of age between 21-54 years in large growing cities like Mexico have shown tendency to shop local food in multinational self-service stores as they perceived these outlets as a place of convenience and prestige to purchase ethnic food (Cooper & Nelson, 2003). Recently a reverse trend has emerged in shopping of young consumers as they are switching

to ethnic street markets as local source of these products. These markets were both types of types of consumers who also branding their produced local products and stocking of wide variety of foods. (Sinnreich, 2007).

3. Roles of Government

Street vendors cannot be ignored because they are so noticeable, variable and focused in congested areas. They are all too obvious in terms of their problems and potentials of street vending. The local elites and the media, and from different political parties, special interest groups, and vendor associations are some of the conflicting pressures. Public sympathies change significantly, with periods of tolerance and growing congestion leading to new pressures for control, and periods of repression generating scandal about brutality and victimization (Bromley, 2000). The sidewalk vendors disappear when they asked to move away from their spot, then return again in a short time. When they raid in their location, they may organize to occupy other location. The government have restrictions to limit congestion, crime and road accidents, and to protect consumers for deceiving and public health hazards. It is also crucial that they collect fees and taxes to fund public services, which they try to bring the whole population within the system of law enforcement, taxation and government support.

4. Age

It was explained by (Robbins, 1996), that there is a widespread belief that performance declines with increasing age. Some workers become slower and less adaptable as they grow older, but they try to compensate for these deficiencies by improving on their dependability, stability, quality of work, and attendance. Scott and Cook (1981) recognized chronological age as one of the single most useful part of information about an individual. Inferences about a person's anatomy, attitudes and social behaviour can be based on age. Furthermore, strong societal expectations exist concerning the behaviours of different age groups. It is suggested that the reactions of different age groups to the introduction of change in an organization will vary significantly. The definition of age at which a worker is considered old varies although 45 years and over is commonly used. The age of 45 years as an age at which a worker can be classified as 'older' is consistent with the World Health Organization Report of 1993 (Scot & Cook, 1981).

III. RESEARCH METHODS

The research design used is descriptive. This study determines the determinant affecting the choice in street vending location at Science City of Muñoz, Nueva Ecija, Philippines. Descriptive research method is used to understand the different variables needed and assess to reveal the factors that affects in choosing the street vending locations. The following are the variables under study (A) Demographic Profile of Street Vendor Respondent (Age, Gender, Civil Status, Number of Family Member, Family Monthly Income, Educational attainment); (B) the Determinants in Choosing Street Vending Location: Determinants in Choosing Street Vending Location: I. Physical Preference (A. Logistic: Accessibility, Demographic surrounding, Covered place for shopping; B. Marketplace Attractions: Ethnicity, Type of shops, Ambiance in the market); II. Shopping Preference (A. Shopping Attributes: Personal beliefs, Bargain potential, Product and sales differentiation; B. Customer Relationship: Customer loyalty, Vendor interactions, Customer satisfaction).

A survey questionnaire was used in this study. The survey-questionnaire consists of:

Part I is administered to the respondents to obtain information about street vendor respondents' on age, sex, civil status, number of family member, family monthly income, educational attainment) to get the answer on specific question number one. (B) the Determinants in Choosing Street Vending Location: Determinants in Choosing Street Vending Location: I. Physical Preference (A. Logistic: Accessibility, Demographic surrounding, Covered place for shopping; B. Marketplace Attractions: Ethnicity, Type of shops, Ambiance in the market); II. Shopping Preference (A. Shopping Attributes: Personal beliefs, Bargain potential, Product and sales differentiation; B. Customer Relationship: Customer loyalty, Vendor interactions, Customer satisfaction).

Part II is administered to street vendor respondents such as (I) physical preference (logistic which include the accessibility, demographic surrounding, covered place for shopping; marketplace attractions including the ethnicity, type of shops, ambiance in the market); shopping preference (shopping attributes including the personal beliefs, bargain potential, product and sales differentiation; customer relationship

including the customer loyalty, vendor interactions, customer satisfaction) to get the answers on specific question number two.

The survey-questionnaire used a five-point Likert scoring format (1-5).

The questionnaire was answered by street vendors to determine the appropriateness, applicability and clarity of questions, and to strengthen the reliability of the instrument. Cronbach Alpha used to obtain the internal consistency measure of the reliability of the instrument.

All street vendors at Science City of Muñoz, Nueva Ecija were used as the respondents, whether they have or do not have a business permit. The data were collected, classified, categorized, and analyzed according to the objectives of the study. The data is gathered and analysed with the use of Statistical Package for Social Science (SPSS for Window Version 11.0) software by the researcher under the guidance of his statistician. The following statistical tools are used in the analysis of data:

- a) Descriptive statistics such as frequency counts, percentages, means, and standard deviation are used.
- b) Test of relationship, Pearson R-Correlation coefficient is used to test the relationship of demographic profile of street vendor respondents.
- c) T-test for independent variables is used to compare perception of the street vendor respondents on physical preferences and shopping preferences.
- d) To determine the reliability of the instrument of the questionnaire, the reliability was obtained using Cronbach's alpha.
- e) The levels of significance used for all the statistical tests are 0.05 and 0.01
- f) Sets of criteria were adopted to give weight to the respondents' perceptions on the following:

I. Physical Preference

A. Logistic

Numerical Rating	Interpretation	Descriptive Interpretation
5 (4.21-5.00)	Strongly Agree	Outstanding in logistic
4 (3.41-4.20)	Agree	Very Satisfactory in logistic
3 (2.61-3.40)	Moderately Agree	Satisfactory in Logistic
2 (1.81-2.60)	Disagree	Fairly Satisfactory in Logistic
1 (1.00-1.80)	Strongly Disagree	Unsatisfactory in Logistic

B. Marketplace Attractions

Numerical Rating	Interpretation	Descriptive Interpretation
5 (4.21-5.00)	Strongly Agree	Outstanding in Marketplace Attraction
4 (3.41-4.20)	Agree	Very Satisfactory in Marketplace Attraction
3 (2.61-3.40)	Moderately Agree	Satisfactory in Marketplace Attraction
2 (1.81-2.60)	Disagree	Fairly Satisfactory in Marketplace Attraction
1 (1.00-1.80)	Strongly Disagree	Unsatisfactory in Marketplace Attraction

II. Shopping Preferences

A. Shopping Attributes

Numerical Rating	Interpretation	Descriptive Interpretation
5 (4.21-5.00)	Excellent	Extremely Positive in Shopping Attributes
4 (3.41-4.20)	Very Good	Highly Positive in Shopping Attributes
3 (2.61-3.40)	Good	Moderately Positive in Shopping Attributes
2 (1.81-2.60)	Fair	Fairly Positive in Shopping Attributes
1 (1.00-1.80)	Poor	Not Positive in Shopping Attributes

B. Customer Relationships

Numerical Rating	Interpretation	Descriptive Interpretation
5 (4.21-5.00)	Always	Extremely Positive in Customer Relationships
4 (3.41-4.20)	Often	Highly Positive in Customer Relationships
3 (2.61-3.40)	Sometimes	Moderately Positive in Customer Relationships
2 (1.81-2.60)	Seldom	Fairly Positive in Customer Relationships
1 (1.00-1.80)	Never	Not Positive in Customer Relationships

IV. RESULTS AND DISCUSSIONS

A total of 50 respondents participated in this study. Respondents collected the socio-demographic characteristics of the respondents. There are 30% of the respondents belong to 20-25 years old, 10% are 26-30 years old and same with the ages of 31-35 and 51-60 respectively; there are 4% belong to 36-40 years old; 18% of the respondents are in between of 41-50 of age; and 14% among the respondents belong to the age between 61 and above. As revealed, majority of the respondents are female, 30 or 60%. As indicated, majority, 60% of respondents are married; 32% are single; there are 6% of them who are widow and 2% of them is widower. As noted, there are 44% of the street vendor respondents who have a less than 3,000 monthly family income; 20% of the respondents earned between 3,001-4,000 monthly; also, 16% have an earnings of 5,001-6,000 monthly; there are 10% have a monthly income that range between 6,001-7,000; however, there are 8% of the respondents have a monthly earnings of 4,001-5,000; also, 2% of the respondent has a monthly earnings of more than 10,000. From the findings, 44% were high school graduate; 24% were high school level; there are 10% who are elementary graduate and have reached the college level as well; 4% have finished vocational course as well as college course; however; there is only 2% are elementary level and reached the college. 40% are consist of 7-8 members in the family; there are 32% between 5-6 members; 16% among the respondents have 3-4 family members; 8% of them have 9-10 members in the family; 4% of the street vendor respondents have 13 and above family members.

From the findings, the summary table of street vendor respondents mean on physical preference in terms of logistics and marketplace attractions and the shopping preference in terms of shopping attributes and customer relationships. As presented, it is noted that the marketplace attraction =4.40, SD=.695, first; logistic=4.36, SD=.816, second; shopping attributes =4.31, SD=.748, third, while the customer relationships =4.09, SD=.716, got the lowest perceived by the street vendor respondents as determinant in choosing the place of their business.

Generally, the overall =4.38, SD=.755 as perceived by the respondents on physical preference, and the =4.20, SD=.732 on the shopping preference, are interpreted as “Strongly Agree” and described as “Outstanding” , “Agree” or “Very Satisfactory” described respectively by the respondents as to determinants on street vending business. It is noted that marketplace attractions was observed significantly related to shopping attributes (f=.000, p=.01) and the customer relationship is not significantly related to marketplace attractions (f=0.661, p=.01).

Table I. Mean Summary of Street Vendor Perceptions on Physical Preference and Shopping Preference

Indicators	\bar{x}	SD
Physical Preference	4.38	.755
A. Logistic	4.36	.816
B. Marketplace Attraction	4.40	.695
Shopping Preference	4.20	.732
A. Shopping Attributes	4.31	.748
B. Customer Relationships	4.09	.716

Source: Author

V. CONCLUSION

This study conducted to investigate on how the street vendors set up their stores on streets in the Nueva Ecija. It serves as a measurement considering the factors given the elements of the selling place. The findings of this study give awareness to those people who would want to start small businesses. They would want to know the essential topics of the study before getting down to business. This research was conducted with a descriptive approach which a total of 50 respondents participated in this study. The results of this study can be summarized briefly that the physical preference of the street vendors in logistics and marketplace attraction are both

outstanding. The marketplace attraction revealed extremely positive in shopping Attributes. Likewise, customer relationships are perceived by the respondents as highly positive in customer relationships.

Based on these results, the street vendors should be given special training to encourage them to open a business in order to maintain security, order and beauty of city. Also, local government agencies in-charge to trade and industry related activities must provide financial assistance for further studies of those who are willing to pursue their career in business. Making review about where street vendor located in order to invite consumers. Therefore, the author recommends future researchers in order to improve generalization of this research. More variables also can be added to improve the simultaneous effect.

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