# Revealing the Street Vendor Phenomena for Better Urban Life

Bambang Karsono<sup>1</sup>, Yashira Qonita<sup>2</sup>, Julaihi Wahid<sup>1</sup>, Joy Natalie Cotter<sup>1</sup>, and Deni<sup>2</sup>

<sup>1</sup>Department of Architecture, Faculty of Built Environment Universiti Malaysia Sarawak (UNIMAS), Malaysia {kbambang,ncjoy,wjulaihi}@unimas.my

<sup>2</sup> Department of Architecture, Faculty of Engineering, Universitas Malikusalleh, Indonesia yashiraqonita@yahoo.co.id, deni nas@yahoo.com

Abstract. Street vendor is one of the phenomena that has been discussed frequently by many scholars in the urban informal sector studies. Due to the limitation of jobs opportunity in the formal sector in the city, street vendors are becoming an option for urban communities to sustain their income. Informal street vendors' activity grows spontaneously because it is a simple operation as compared to formal businesses, and sometimes, there is no standard procedure to regulate them. Many scholars supported that the existence of informal street vendors in urban spaces contributed to a positive impact on the sustainability of urban life. In Medan City, for example, street vendors grew tremendously, especially at night, and dominated the public spaces along the street corridors. This study attempts to reveal the causal factors and the utilization of the street corridor dominated by street vendors and its positive impact on the livability and sustainability of the city. Mixed-method research approach is applied in this study to analyze the descriptive and qualitative data obtained through observation, mapping, photo-trekking, and interviews at three (3) selected street corridors in Medan City. The results of the study reveal that this phenomenon contributes to the sustainability of urban life at night and becomes a popular place for people to gather. It helps to pull the crowd that may contribute to the livelihood of the city economy. On the other hand, it is the place that indicates the high level of place dependency for street vendors to sustain their income.

Keywords: street vendor, street corridor, urban life, urban sustainability.

# 1 Introduction

A street vendor is defined as someone who offers goods for sale to the public without having any permanent space. Two categories of street vendors are commonly known, first is stationary who are remaining in one place occupying private or public spaces and the latter is mobile by moving from one place to another with all their equipment and goods. In Asian countries, street vendors are growing

rapidly as a commercial activity in the informal sector [1].

Street vendors are the most frequently discussed urban informal sector phenomena. Its presence is often considered nuisance and dominates public or private spaces within urban areas [2]. The lack of job opportunities in formal sectors for the city dwellers lead the street vendors to become an option for urban communities to sustain their income. Street vendors become a popular opportunity in the communities because it is easy to implement without requiring any certain formal procedures [2]. The presence of street vendors in urban areas usually offers cheaper prices and tends to serve middle to low-income consumers.

The location that attracts street vendors to open their business is commonly a place where people gather, close to the center of economic activity or on the street corridors. This phenomenon then formulates the image that street vendors occupy urban spaces without any permission from authorities. The existence of street vendors is often a dilemma for city authorities because they are disorganized. Although it can help to reduce the number of unemployed people in the city, however, due to its setting and the encroachment of the aesthetics of urban space, it is not favored.

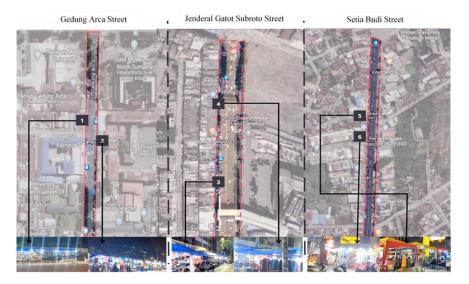
This study was conducted in the city of Medan, North Sumatera, Indonesia to reveal the street vendor phenomenon from the perspective of its unique process of setting up and closing the stall, the commitment, and consistency that was practiced by the vendors in maintaining their turf in the urban space. Throughout this research, three (3) locations to represent the cases for revealing the level of popular place, place dependencies, customer loyalty, and the implications of this phenomenon to the livability of urban spaces especially at night according to the process and the intention of the inquiry.

### 2 Literature Review

Stakeholders in urban areas have different perspectives about street vendors and their perceptions can be negative or positive focusing on the way street vendors control the public spaces and their effects on city life [3]. Meanwhile, city authorities and managers in developing countries tend to think that informal hawking in the urban space affects the physical beauty of the city negatively [4]. The growth in the number of street vendors in Asian cities is always associated with changes in the economy of the country, the number of street vendors increases when there is a shortage of formal employment in the city and a lack of job opportunities in rural areas [1].

For some street traders and vendors, the domination of urban space is closely related to the right to survive and the rights for which they must fight for sustainability and to earn a living [4]. Fathy and Rachmawan argue that street vendors can create jobs for other people, this is based on their findings that street vendors in Jakarta can earn between Rp18 million to Rp138 million per month [5]. Street vending is also part of the socio-economic fabric of a city that provides a full-time employment for certain groups of residents. In Yogyakarta alone, there are 164 street hawkers with a total of 351 employees [5]. This shows that a trickle-down effect of employment opportunity is evidently created through informal sectors.

The phenomenon of street vendors in public spaces is an integral part of urban life that can accumulate to characterize a city. City life at night can be an indicator of the city's livability, for example, the existence of street vendors along the street corridors of Hat Yai, Thailand plays an important role as an element of attraction for visitors [6]. Meanwhile, the utilization of street vendors in urban spaces is based on the location, accessibility, main activity, comfort, and characteristics denoting to their activity [7]. Street vendor activities at night can contribute to the sustainability of urban life [8]. The crowds of people around street vendors can act as an 'eye on the street' in urban spaces which psychologically will create a sense of security for the community within the urban space [9],[10]. Activities that occur in street corridors become a medium to make the streets alive and happening, especially at night [11].



### **3** Research Method

Fig. 1.0 Map of the case study area.

Mixed-method research approach is applied in this study to analyze the descriptive

and qualitative data obtained through observation, mapping, photo-trekking, and interviews at three (3) selected street corridors in Medan. These three (3) places are representing the street vendor areas that has been existed from the east, center, and west area of the city (figure 1.0). The street corridors chosen are Gedung Arca Street in the east, Jenderal Gatot Subroto Street in the center, and Setia Budi Street in the west. Mapping is done to obtain primary data such as layout setting, number of street vendors, types of goods, and visitor intensity. Observations and phototrekking were carried out in each area starting from the setting-up until the closing of the business in order to get a comprehensive picture of the phenomena. Random interviews were conducted with a total of 30 respondents from each street corridor representing sellers and buyers, the purpose of the interview was to get user responses related to a popular place, place dependencies, and customer's loyalty.

# 4 Findings and Discussion

#### 4.1 Setting up the stall

Street vendors' activities at night are found in the case study areas which can be categorized as urban nightlife phenomena within urban spaces [12]. These street vendors' activities are routine exercises starting at around 5 pm until midnight. Each street corridor has a different intensity with a number of visitors, customers, and the diversity of products in each location.

Street vendors in the Gedung Arca Street corridor are selling goods for men such as shirts, pants, jackets, sports suits, bags, underwear, and shoes. This place become popular among locals and is always crowded during its operational time due to its strategic location with a neighborhood of university, colleges and student's hostels. Figure 2.0 shows the layout and the process of setting up of the stall by occupying part of the existing main street using demountable and pragmatic assembly of stalls along a linear pattern of the street. This activity does not inflict traffic jams because the street is relatively quiet at night. After midnight, the closing-up process was executed by dismantling the stalls, cleaning up the site, leaving the area and storing all the equipment elsewhere.

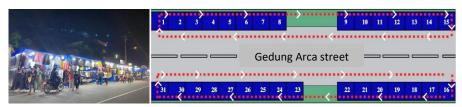


Fig. 2.0 The layout of street vendors at Gedung Arca Street.

In the Jenderal Gatot Subroto Street corridor, the majority of vendors are selling women's necessities, such as dresses, pants, bags, lingerie, shoes, and cosmetics. Figure 3.0 describes the layout of the street vendors which is arranged linearly across the pedestrian path and provides 2 meters wide pedestrian walkway in the middle. The stalls' properties generally use simple knock-down construction

techniques and materials such as wooden planks, steel poles, and plastic tarpaulin roofs. The setting-up process begins at around 5 pm and closing-up after midnight. Similar to street vendors in Gedung Arca Street, after dismantling the stalls, they clean up the site and store all their equipment elsewhere.

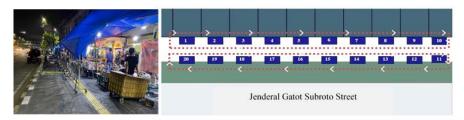


Fig. 3.0 The layout of street vendors at Jenderal Gatot Subroto Street.

Setting up process at Setia Budi Street corridor starts around 4.30 pm by occupying the pedestrian walkway within the service road of the shop houses complex. The open space area has sufficient area for car park, set up the stalls as well tables and chairs within the area. Food and beverage are the main products offered in this place, either one can be dine-in or take-away service. Stalls properties also used pragmatic knock-down tent system, arranged linearly following the length of the existing service road (figure 4.0). Closing time is around midnight, and they dismantle the stalls and store them elsewhere. The commitment to maintain the cleanliness of the site after the business hour is shown here, the vendors collectively clean up the site before leaving.

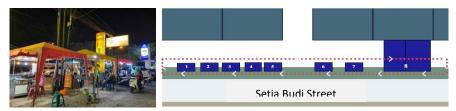


Fig. 4.0 The layout of street vendors at Setia Budi Street.

#### 4.2 Visitor intensity

Results from the observations indicate that the intensity of visitors in the three research corridors is quite similar. The intensity starts to increase at around 9.00 pm

and peaks at 11.00 pm and slowly decreases towards midnight. A little difference appears in Gedung Arca Street, where the intensity decreases toward 1.00 am. Figure 5.0 shows that in all the research locations experience a similar phenomenon, where the number of visitors increased by around 50% during the weekend. In Gedung Arca Street, the average visitor on weekdays is around 100 people and increase to 150 people on during the weekend, whereas, in the Jenderal Gatot Subroto Street, there are around 120 visitors on the weekdays and 190 people during the weekend. Instead, in Setia Budi Street, there are around 75 people on weekdays and 120 people on weekdays from random interviews revealed that most of the visitors were residents of Medan City and their ages are between 19 and 40 years.

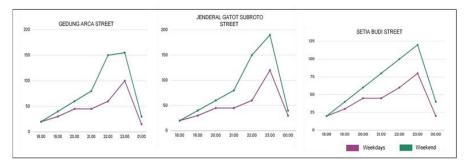


Fig. 5.0 Visitors intensity in case study areas.

### 4.3 Popular place

The results of random interviews in the three corridors showed that respondents generally agreed that a strategic location, safe, and cheaper prices were strong reasons for them to come to visit and record it as a popular place for them. This is as expressed by respondents as follows:

Around Gedung Arca Street, there are several university colleges and campuses, so it is very suitable as a place to operate the stall. Many people come, especially youngsters, especially college students who stayed around the area. (Respondent 3.0 Gedung Arca Street).

This place can be said to be on the main street of the city center, so it's easy to come here, then this location is close to the Plaza Medan Fair shopping mall, always crowded with people, so we feel safe when there are many people around. (Respondent 1, General Gatot Subroto Street).

This shop-houses complex sells food and drinks, so we often visit here, crowded with people at night, interesting to look at a new environment, buying food and drinks from street vendors, sitting, eating and drinking in an open space (Respondent 4, Setia Budi Street).

#### 4.4 Place dependency and customer loyalty

Place dependency arises due to economic, social, and familiarity factors with a place[8]. Place dependency can also arise from the user's experience and perception about the place and record it as a memorable place for them. In this study, the strength of place dependency contributed by a street vendor who earns income from the place. The length of engagement within the place further will strengthen the dependency on the place. Feedback from respondents through random interviews indicate as follows:

I have been doing business here for about eight (8) years, and it is important for me as a source of income for my family, although during the daytime I do a parttime job as a parking attendant in this area. (Respondent 6, Gedung Arca Street)

It has been three (3) years since the first time I start my street vending here, even though I have other income from the business of selling cakes on a pre-order basis, it's not enough, doing night selling business here is very helpful to fulfill my daily needs. (Respondent 8, General Gatot Subroto Street)

*My income is only from vending here, after four (4) years my daily income is enough to feed my family. (Respondent 10, Setia Budi Street).* 

It was revealed that the average monthly income from street vendors in these three (3) locations varies ranging from Rp.15 million up to Rp.90 million per month.

In all the case study areas, it was found that customer loyalty was associated with the repetition of the same visitors who buy goods or products at the same street vendors frequently. The interviews reveal that the street vendors in the three locations have regular customers with varying percentages. Usually, these phenomena happen because of high satisfaction with the product or services offered by the seller, then customers tend to recommend the place to others. In Gedung Arca Street and Jenderal Gatot Subroto Street corridors, loyal customers are around 20% to 30%, while in Setia Budi Street the percentage is around 35% to 40%.

# 4.5 Discussion

The phenomenon of street vendors in the case study areas occurs informally based on the initiative from the community for different reasons, generally, it is to earn their daily income. In terms of the physical quality of urban space, the occupying of the walkway within urban space by street vendors induced conflicts between space users. However, the street vendor activities that last until midnight can provide a sense of security to space users due to the presence of other people in public spaces. The intensity and continuity of pedestrian activities in urban spaces will affect the sense of security and safety for its users[9].

Street vendors in the case study area creatively creates vending spaces using pragmatic local techniques and materials, consistently and having a shared commitment to maintain the continuity of these activities. This is evidenced by their commitment to restoring the physical quality of the space as well as consistently maintain the daily usage of the space. The way of setting up the stalls in the afternoon and closing up at night is the uniqueness of their creativity in creating activity spaces. This activity becomes a generator of activities at night in each research area that attracts people to come and walk through the existing booth outlets. The intensity of visitors which tends to peak from 9 pm to 11 pm, especially on weekends, is a feature of the creation of livability of places that contribute to the livability of the city.

The existence of street vendors also supports the economic and social aspects of urban life [13] [5]. All of the street vendors were locals who turn the space into a dependent place for them to earn income. Although few street vendors have other sources of income, it was not enough for them to fulfill their daily needs. Hence, they expected that this place would still exist as a place for them to do business. The range of profit income in case study areas is between Rp.15 million up to Rp.90 million per month consider a fantastic number, no doubt that it acts as a trigger to the urban economy cycle at the grass-root level.

Transactions between sellers and buyers formulate intensive social interactions between the two actors. It was found that the price flexibility that can be negotiated and the communication during the negotiation process between sellers and buyers become an attribute to the social attachment of the place. Furthermore, the friendliness and hospitality of the street vendors become an attraction for visitors which accumulated into customer loyalty. Findings from interviews show that the level of customer loyalty is between 20% to 40% which is considered moderate. This phenomenon indicates that the creation of social attachment to place can form a locational sense of place. This is in line with the opinion that social attachment in a place can be formed due to the accumulation of interaction intensity among the community within a certain period[12].

# 5 Conclusion

Selected street vendors in the case study are located in the city of developing countries. The recent impression that appeared among the people regarding the street vendors is misleading. People perceive that street vendors' phenomena are disorganized, conquering the public space, disturbing the physical aesthetic, and harmful. The study shows that street vendors phenomena are able to provide a positive impact on urban life and urban livability, especially at night. This phenomenon which happens daily that lasts about seven (7) hours from the evening to midnight has performed as a generator for activities. A crowd of the activities provides a psychological effect for the people in terms of a sense of security and safety where the presence of other people (eyes on the street) in the urban space. From the economic perspective, place dependencies are formulated especially for street vendors to fulfill their daily needs. Economic transactions that occur at the same time also create interactions between the actors involved which is leading to the creation of social attachment. Overall, it is revealed that the phenomenon of street vendors in the research area has positive implications for a sense of safety and security in urban nightlife, economic benefits, and positive social attachment which can lead to a better urban life for the people.

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