

# Customer Behaviors towards Street Vendors: A Case Study on Barasat Municipal Area

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**Abstract :**Street goods offered by street vendors are inevitable for city dwellers. Maximum lower and middle class consumers prefer street goods as it is cheap. Mainly street foods, vegetables, fruits, fishes, garments and ornaments are preferred by a large portion of the consumers as those goods are cheaper than shopping mall and normal shops (Sen and Gupta, 2018). Analysis of customer behavior and consumer satisfaction in street vendors usually deal with identification of customers and their buying behavior patterns as well as identification of consumer and their consuming pattern. The aim of this analysis is to ascertain where, when, how, what, who buys and use of street vendor's goods and importance of street vendors in urban market system. Purchase decision is the result of customers shopping habits, purchasing behavior, financial condition etc. A customer is led by his culture and cultural trends, his social class and societal environment, his family, his personality, psychological factors etc. This paper highlighted on the consumer's behavior towards street vendors and the determining factors of their behavior. The causes of separate customer behavior are not treated here as it is very complex matter.

**Keywords:** Customer behavior, Consumer, Street vendors, Purchasing

**JEL classification:** Q 18, I 18, R19

**Introduction:** In the recent time street vendors are more concerned on individual customer behavior to yield information about their thinking, feelings and choice. Customer behavior is the study of the processes involved when individual or groups select, purchase, use, or dispose of the product, service, ideas

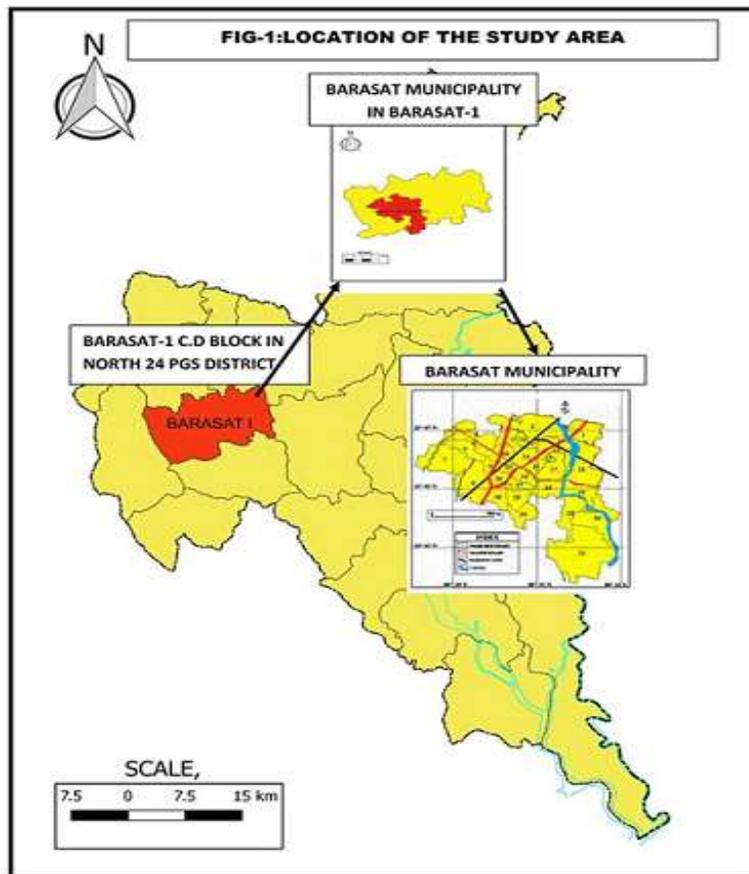
or experiences to satisfy needs and desires (**Solomon, 1998**). In this study the terms customer and consumer are not used synonymously. A customer is a purchaser of goods or a service but a consumer is the user of those goods or service. For example parents are the customer of baby food but children are the consumers. In this study we are primarily concerned with customer's purchase behavior rather than with consumer preferences. Customer behavior is the decision-making processes of individuals or group spending their time, money and efforts in order to obtain the items associated with consumption. To realize the buying behavior of city residents need to understand : 1) Purpose of purchases 2) Influencing factors of consumer purchases. 3) The changing factors of urban society.

**Literature Review: Chakravarty and Canet (1996)** found that about 33% of the consumers purchased foods on a daily basis and spent 40 to 400 rupees per month on street foods in selected area of Kolkata. **Williams, T. (2002)** studied on social class, income and gender effects on the importance of utilitarian and subjective evaluative decision criteria over a variety of products considered more and less socially significant. **Rajagopalan, R. and Heitmeyer, J. (2005)** investigated the level of involvement of Asian-Indian consumers residing in the US when purchasing Indian ethnic apparel and contemporary American clothing at different levels of acculturation. **Celik, A. and Ceylan, M. (2010)** made a detailed study on the effects of socioeconomic factors on the consumption of milk, yoghurt, and cheese in Turkey. **Ch, J-Small & Aryasri, A.R. (2009)** studied the effect of shoppers' demographic, geographic and psychographic dimensions in terms of format choice behaviour in the fast growing Indian food and grocery retailing. **Sredl and Soukup (2011)** emphasized on the problems of consumer's behavior in the food market and namely the determining factors of their behavior according to the neoclassical theory approaches and its modern modifications, which are compared with the concepts of other authors. According to **Rani (2014)** Consumer's buying behavior is influenced by four major factors: 1) Cultural, 2) Social, 3) Personal, 4) Psychological **Lin and Yamao (2014)** explored street food consumers' attitude towards food handling practices and safety of street foods in Yangon, Myanmar. The study by **Dalal (2015)** is helpful to street vendors improving the sales of street food with customer satisfaction. This paper mainly highlighted on customers opinions towards street food. **Sen and Gupta (2017)** traced the major socio-economic challenges faced by women street vendors i.e. harassment faced by their male counterpart, political leaders and customers. **Sen and Gupta (2018)** highlighted the role of street vendors in urban area by cost benefit analysis. To analyze the consumers behaviors the authors selected different income group on the basis of their monthly family income. According to this paper Street Vendors supply the cheap goods for not only the middle (10000 to 25000)

and lower income group (below 10000) but also higher income group of urban areas prefer street goods.

Fig;1: Study Area

**Study Area:** In this paper the case study of Barasat Municipal area (Latitude:  $88^{\circ}48''E$ , Longitude:  $22^{\circ}50''N$ ), the district headquarter of North 24 Parganas, West Bengal



is considered. Because this town is located where consumers all across the pyramid of income level. So both customer and consumers of the base and the top-of-the pyramid could may converge in the same place at a time .Fast food , fruits ,vegetables ,Make-up and Accessories , Clothes, Shoes, Cooking utensils, Toys seasonal items even imported products can be found to the street vendors in the study area

### Objectives:

- 1) To ascertain the customer perception toward street vendors in urban area.
2. To determine the utility of street vendors in urban market system

### Methodology:

This is a mixed research design comprising of qualitative and quantitative research. A semi structured interviews of 1400 respondents of Barasat Municipality were

conducted on a random basis. The study was conducted during March,2016 to December2017in Barasat Municipal area .Simple random sampling technique was used for collection of primary data through personal interview. The majority of the questions were designed with closed ended double and multiple option types questions .The collected primary data were analyzed after completion of survey. The Map info, SPSS Statistical package (ver-16) for Social Science , Excel etc are used to carry out the analysis.

### **Data Interpretation:**

“Street vending have a negative public image, being associated with accidents, congestion, environmental degradation etc, although a large segment of local inhabitants and daily commuters of urban area prefer them as their goods are very cheap. **(Sen and Gupta,2018)**”.Local city dweller as well as commuters are the main customers of street vendors .Mainly lower and middle class income group are the prime customers of street vendors. “Street Vendors supply the cheap goods for not only the middle (10000 to 25000) and lower income group (below 10000) but also higher income group of urban areas prefer street goods. The price level of market is controlled by surplus goods supply. Mainly female consumers are the largest segment of street goods. Higher income group (>25000) female customers prefer variety ornaments and jewelry, daily commodities, kitchen utensils etc. But lower and middle class customers prefer all types of goods. Although very high income group do not prefer street goods any how **(Sen and Gupta, 2018)**.” During purchasing any product, a customer goes through a decision making process , consists of up to the following stages:

**Stage: 1: Initial stage:** The Customer tries to find what commodities he would like to purchase.

**Stage 2: Selection of Goods:** The customer selects only those commodities that promise greater utility,

**Stage 3: Estimation of availability of money:** He makes an estimate of the available money which he can spend.

**Stage 4: Evaluation of alternatives:** The customer evaluate the alternative products.

**Stage 5: Decision Making:** The customer analyzes the prevailing prices of products and takes the decision about the products he should purchase.

There are some controlling factors of consumer choice .i.e. Income level of the purchaser (monthly), Low Price of the Product, Quality of products , Presence of Commuters etc

**Hypothesis:**

H<sub>0</sub>: Number of customer of street vendors depend on income level of the purchaser

H<sub>1</sub>: Number of customer of street vendors do not depend on income level of the purchaser

H<sub>2</sub>: Customer prefers street goods due to low price of the product.

H<sub>3</sub>: Customer preference does not depend on low price of the product.

H<sub>4</sub>: Customer prefers street goods due to good quality of the product.

H<sub>5</sub>: Customer preference does not depend on the quality of the product.

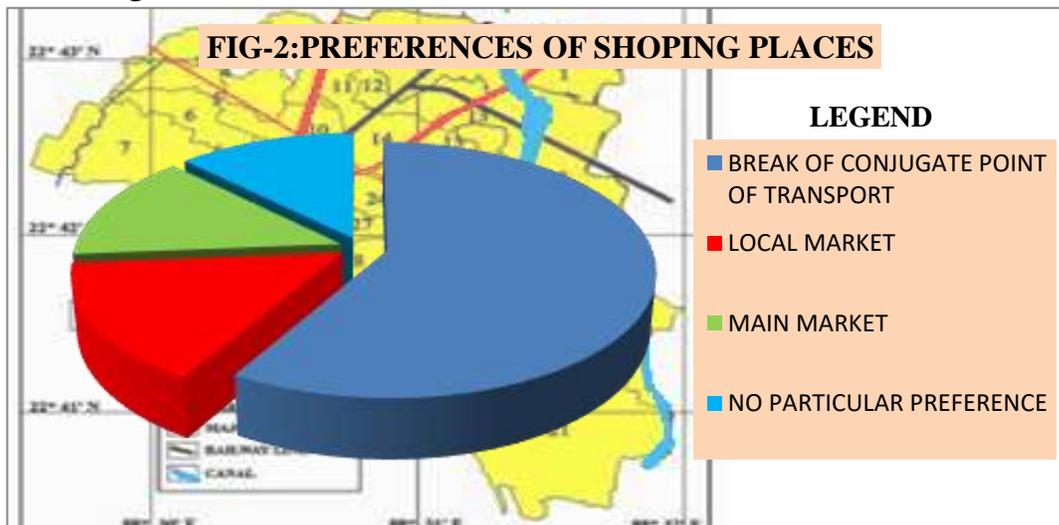
H<sub>6</sub>: Maximum customers are daily commuter.

H<sub>7</sub>: Maximum customer are local city dweller.

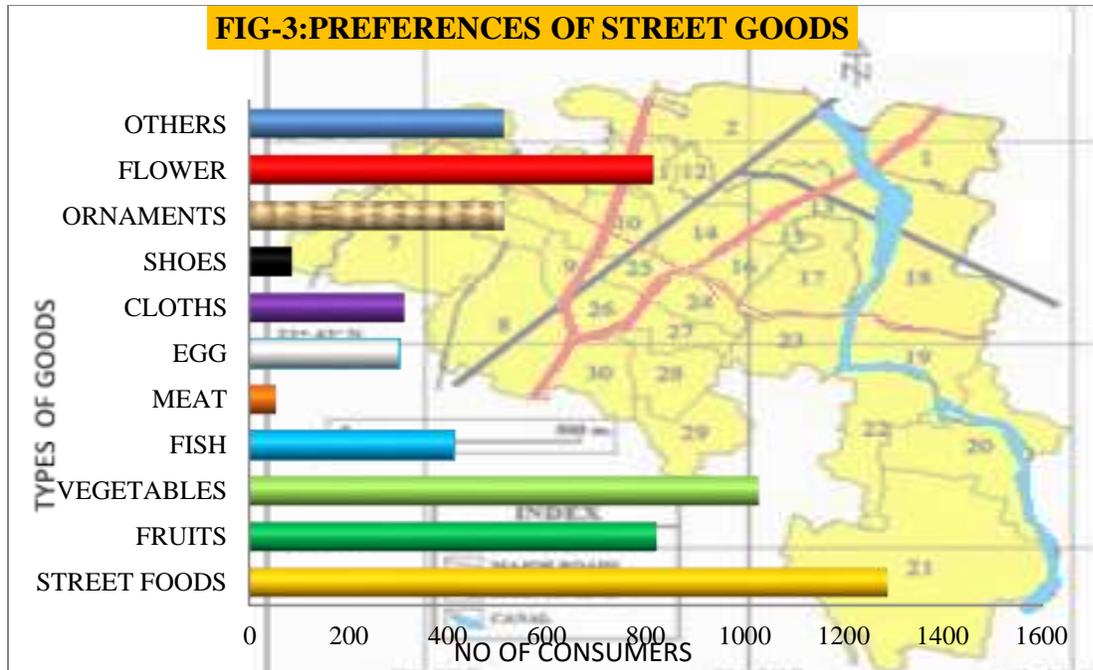
Sl. no	Controlling Factors(x)	Dependent factor(Y)	Co-relation Co-efficient by Pearson's Product Moment Method (r)	Degree of freedom	Student's "t" test	Standard error	Remarks
1	Income level of the purchaser(monthly)	No of customer	0.21395	10	0.619486	0.0123	H <sub>0</sub> is accepted
2	Low Price of the Product	No of customer	0.89457	10	5.66137	0.0081	H <sub>2</sub> is accepted
3	Quality of products	No of customer	0.56458	10	1.93471	2.1767	H <sub>4</sub> is accepted
4	Presence of Commuters	No of customer	0.90154	10	6.02272	0.2961	H <sub>6</sub> is accepted

Customer behavior is an important component of shopping .The salient controlling factors of Customer's shopping behavior patterns in study area are:

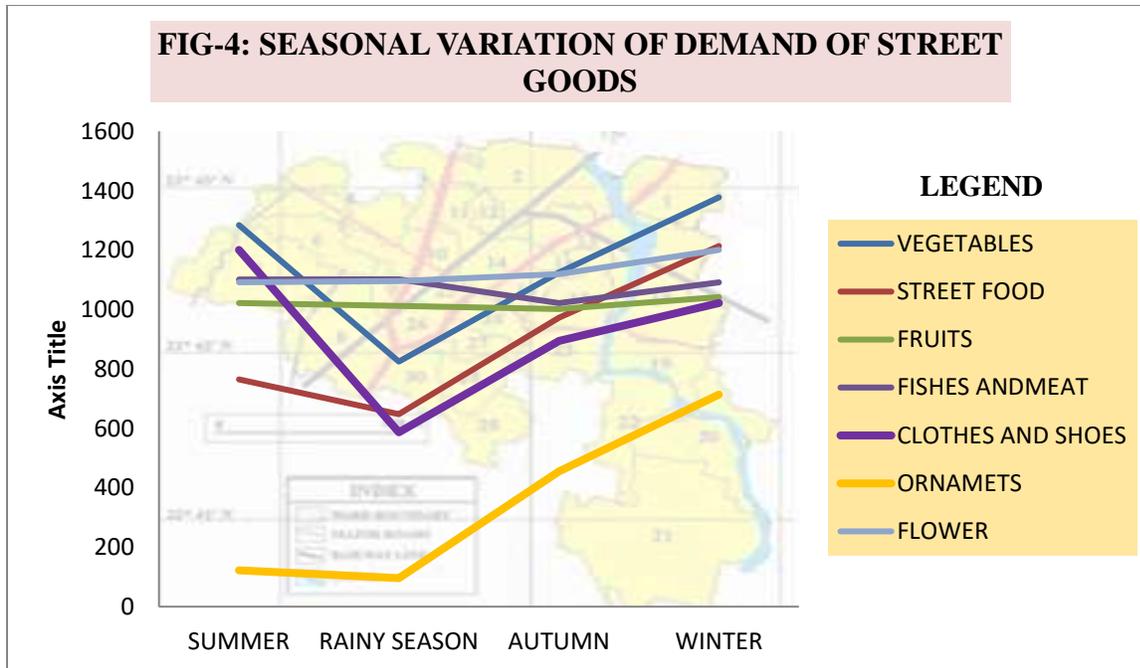
1. **Purchasing Place:** In general, customers like to purchase among a number of shops, shopping malls and street vendors. Many customers (61.29%) do not like to purchase fresh fruits and vegetables from the shops or shopping malls where they buy their dry groceries, although all those items may be available in the same store. Maximum (58.43%) purchaser (mainly daily commuters) like to purchase goods from suitable 'break of conjugate points' of transport during return from working place. As a result largest proportion of street vendors in the study area are found near Colony more, Helabottala, Champadali More, Rail Station market etc from afternoon to night. Street vendors are also found in these markets in the early morning to noon. As about 13.71% customers prefer main market of town. About 15.28% customer prefer to buy from local market. So a large no of street vendors are found early morning to noon in every local market i.e. Chhotobazar, Bhadrabari More, Kamakhya Mandir market, Noapara housing market, Chhata kol market etc.



2. **Purchasing product:** A customer rarely purchases a single mango or a single apple. On the other hand, very seldom a customer purchases more than one big watermelon at a time. The amount of each product purchased depends on some factors: Nature of product, purpose of purchasing, purchasing power, price of product, demand-supply ratio of the product, perishability of the product, availability of storage facilities etc. In the study area maximum customer prefer to purchase street foods (90.20%), vegetables (70.30%), fruits (58.20%) and flowers (50.12%). Women customers prefer to buy ornaments as those are cheap.



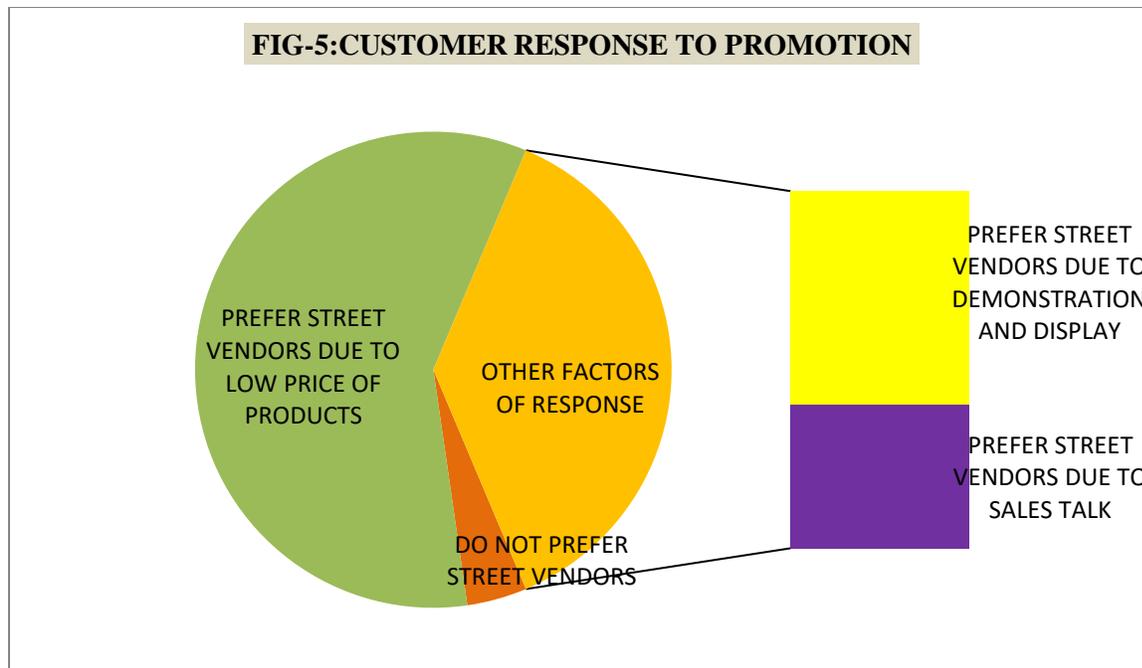
**3. Time and Frequency of Purchase:** Purchase patterns are related to the seasons, weather, and regional differences. During summer the demands of seasonal fruits like mango, jack fruit, litchis, palmcabbage, watermelons, rose apples, papayas etc are very high. During winter the demand of local seasonal fruits and vegetables carrots, peas, pear, banana, orange, apples, turnips, grapes etc are high in the study area. All of those are available and very cheap to the street vendors. During “Chaitra Sell” demand of cheap cloths, bedcover etc are very high in the study area.



**4. Process of Purchase:** Maximum customer(91.96%) of street vendors like to buy on a cash and carry, a few customer like to on a charge and delivery basis(1.23%). Mainly garden products, some vegetables, fruits etc are delivered on a charge basis.

**5. Response to Promotion:** Street vendors use many devices to incite purchase of their goods. The sales promotional devices used by street vendors in the study area are:

- a. 22.29% customer response to demonstrations with displays on the open space
- b. 58.64% customer prefer low pricing of product.
- c. 15% customers are attracted by Sales Talks.



### Major Findings:

- 1) The observation shown a large number of customer prefer to purchase local street foods, vegetables, fruits and flower which are located beside the national and state highway even beside the municipal roads. Customers could come by public transportation, private car, motorcycle or bi-cycle for purchasing the street goods conveniently,
- 2) There were the three groups of consumers: first group was students who studied in school or college or university (aged lower than 25 years old). They like to purchase mainly street foods like Fuchhka, Cho, Ghugni, Papri chat, Ice cream etc. Second group was working class as well as family person (aged between 20 to 60 years old) who like to purchase Vegetables, Fruit, Fish, Flowers etc and the third group was old and experienced customers (aged more than 60 years old) who prefer to purchase fresh vegetables, fishes and fruits which are imported from nearest villages. Most of customers are not only residents of Barasat city but also found a large no of commuters also purchased from street vendors at Colony More, Champadali More, Helabottala and Station Bazar.
- 3) The locations of street vendors are along the road side close to residential area (Chotobazar, Bhadrabari more, Ambagan, Ramkrishnapur etc) and nodal points of major roads (Colony More, Champadali More, Helabottala), working places (Court Bazar, Burro Bazar Kazipara etc), schools, railway station, shopping areas (Colony more to Champadali more) and temples. These places were easily accessible to general customers as well as daily commuters who used various transportation modes.

4) The times of consuming were divided into three periods: a) morning, b) afternoon, c) evening and night. The different times period would offer different types of goods and different types of customers. In some location (Colony More, Champadali More, Helabottala, Burobazar, Rail Market etc) the customer could experience street goods throughout the day, there are different street vendors who ran the business. When the first phase finished, the others vendors wait for the second phase, so the stalls were not something that was permanent. The local residents purchased vegetables, fish etc in the morning while the commuters preferred to purchase in the afternoon or evening during return home.

5) Although Customer's choices is often influenced by family members as they are the consumer of those products, but mostly the customers made their own decision whatever they choose. So the street vendors tried to impress the customer than consumers satisfaction. According to some consumers of street food, it could be the place for relaxation and entertainment; for instance, visiting to the tea-coffee or Fuchhka stall in the evening.

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ELECTRONIC SOURCE:

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<http://www.livestrong.com>

<http://www.streetfoodinstitute.org>

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