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**Problems and Prospects of the Street Vendors-An
Analytical Study of Dhangadi City in Nepal**

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Abstract

Street vending is a widespread and vital profession found in nearly every country and major city worldwide. They are people selling items from a temporary structure; street vendors play a crucial role in economic activities by providing essential services and goods. This research focuses on street vendors in Dhangadhi, exploring their current status, financial problems, governance and policy issues, and working conditions. Street vending requires minimal capital and offers flexibility, making it an accessible livelihood for those unable to secure formal employment. Despite their significant contributions, street vendors often face hostility from local authorities, who sometimes attempt to remove them. This research aims to address these challenges by examining the conditions and problems faced by street vendors in Dhangadhi. Using a descriptive methodology that combines quantitative and qualitative approaches, the study collected data from 84 street vendors in four key areas of Dhangadhi: Hasanpur, Chauraha, MilanChowk, and the Buspark area. The research methodology includes a structured questionnaire refined through a pilot test based on the primary data, complemented by secondary sources. The data were analyzed using statistical techniques and presented through visual aids. This study provides valuable insights into the street vending sector in Dhangadhi, highlighting its importance to the economy and offering guidance for local

authorities to develop informed policies. Addressing the financial, governance, and working conditions issues faced by street vendors can enhance their contributions to the economy.

Keywords: Street vendors, Economic growth, investment, Investment, Contributions, Economy

Introduction

Street vendors are individuals who sell food or goods on the street, sometimes illegally." Street vendors do not have a permanent structure but use temporary setups like mobile stalls or carrying goods on their heads or shoulders (Upad- hyaya, 2018). Street vending is a vital profession found in almost every country and major city worldwide. These vendors bring life, light, and energy to the streets, contribute to economic activities, and provide essential services (Recchi, 2020).

Street vending can be done as full-time, part-time, seasonal, or occasional work; it can take place at any time of the day or night. Street vending usually ranges from businesses operated by individuals or families to partnerships (Kiran & Babu, 2019). Some street vendors are even affiliated with off-street stores, where they set up their shops near such stores or a good distance (Jaishankar & Sujatha, 2016). Street vendors often consist of individuals who are unable to secure regular jobs in the formal sector due to their limited education and skills.

Since street vending requires minimal capital and therefore provides people who cannot afford or rent fixed housing and have access to mobility, it is a very efficient way to deliver seasonal special demand items such as Jamaraon Dashain, Lights, and Diyoin Tihar, Colors on Holi, etc. There could never be enough resources to sustain this kind of demand for non-road services. It also allows people to work more flexibly. It can also be used as an extra function, for example, to provide students with some extra cash in the evenings or on weekends to cover some personal expenses.

In this study, we aim to explore several critical research questions regarding street vendors and their livelihoods. First, we will examine the current status of street vendors and assess how various factors affect their livelihoods, including their role in the urban economy and the challenges they face in sustaining their businesses. Second, we will investigate the financial problems encountered by street vendors, such as access to capital, price fluctuations, and competition, all of which significantly impact their economic

stability. Third, we will delve into the governance and policy issues that affect street vendors, including regulatory challenges and the lack of formal recognition that often leaves them vulnerable to harassment and eviction. Lastly, we will analyze the working conditions and amenities available to street vendors, focusing on their daily working hours, safety concerns, and access to basic facilities. The primary objectives of this study are to identify the financial problems faced by street vendors, understand the governance and policy issues impacting them, study the current status of street vendors specifically in Dhangadhi, and analyze the working conditions and necessary amenities for these vendors. Through this comprehensive examination, we aim to shed light on the multifaceted challenges faced by street vendors and contribute to developing effective strategies for improving their livelihoods. To facilitate this investigation, a questionnaire has been created with questions related to the current situation and problems faced by street vendors operating in Dhangadhi City.

Literature Review

Bhowmik (2005) defines street vendors as individuals who sell goods to the public without a sustainable plan. He also says sales can be steady, with vendors holding space on side streets or moving, where they move their wares from place to place. Many street vendors engage in this business due to poor socio-economic status. People from rural areas migrate to cities for a better life, often ending up in the informal sector due to a lack of skills or education for formal jobs. They start street vending businesses with minimal capital some will survive. Similarly, Jones et al. (2008) have found street vending is pervasive in urban areas, being both 'interactions' and 'places'. 'Connectivity' refers to the transport networks that connect places, while 'sites' are the activities available. Street shopping is one such activity, which is influenced by various factors in the environment.

K C et al. (2014) found retailers choose locations based on customer attractiveness, accessibility, and lack of alternatives. Additionally, a large number of products from small-scale industries in the informal sector are distributed through them. Specifically, we have a scenario where a group of urban poor (street vendors) helps other segments of the urban poor by providing cheap goods and selling their products. Unfortunately, instead of appreciating the financial support, local authorities often view street vendors as criminals or offenders.

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A study conducted by Panwar (2015) examined various aspects of street vending, challenges faced by street vendors, and the tendency of consumers to shop in malls instead of roadside vendors; many vendors are stressed because there are fewer people now, especially with the increasing numbers around shops and supermarkets. Unfortunately, the local authorities are undertaking many urban projects without considering or compensating these vendors, making it seem impossible for those living in fear of uncertainty to start from scratch because it involves setting up new stores, navigating regulations, and attracting a new customer base. It is generally believed that any expansion should be consulted with the local community to avoid negative impacts on the environment. If there are no other options, vendors should be fairly compensated and given alternative locations. Given the important role they play in the history and culture of the city, it is important to address the concerns of street vendors when planning major projects in the city; they deserve to be considered citizens of the city.

Another study conducted by Adhikari (2012) depicted that Street vending is usually a low-investment business with a satisfactory income that can support a family in a city, this study found that many people choose to sell despite the low revenues and profits in this sector compared to other professions. This is mainly due to limited performance in other sectors of the economy. Most of the individuals involved in street vending come from rural areas, where agriculture is important.

According to Parajuli (2013) The street vending industry provides employment opportunities to a large section of the population, so it is important to recognize their valuable contribution to employment. Street vendors have great courage despite facing danger. The income of street vendors has steadily increased, which has improved their welfare and ability to send children to school, and in some cases, they own real estate in Kathmandu Valley. Nevertheless, the local authorities' lack of effective policies and programs has kept street trading at high risk. Officials have failed to provide a permanent solution to the challenges faced by street vendors.

For the completion of this project, various articles and reports have been reviewed, and after reviewing them, various variables are found. It is the result derived from the literature review. From the literature review following dimensions of the problems faced by street vendors were found. It can be shown below:

Figure 1

Problems Faced by Street Vendors



While there are numerous studies on street vending in various locations around the world, not many researchers have researched this type of similar topic that relates to Nepal. Most urban planners and city officials are concerned with this type of research. This research aims to fill this gap by conducting a thorough investigation into the Street Vending problems in Dhangadhi that may benefit the local authorities.

Research Methodology

The study nominates a descriptive methodology. A qualitative approach is adopted to gather more precise information on the problems faced by street vendors. As the data collection of the entire population of street vendors in Dhangadhi is not possible due to the limited resources the sampling of this research is focused on four areas of Dhangadhi City: Hasanpur, Chauraha, Milan Chowk, and Buspark area. Since a large number are found in their business operations here, the researcher was able to connect with the street vendors due to their familiarity and ease of access to the community.

Figure 2

Map of Street Vendor Locations in the City

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To achieve the goal of the study, a questionnaire plan was conducted to get data from at least 80 street vendors. This allowed us to gain a better understanding of the street vendors operating in the research area. As the exact number of street vendors was unknown, the researcher had to purposefully collect information from the participants. Thus, the study utilized purposive sampling and convenience sampling methods.

The questionnaire was divided into five parts. The first part asked for personal information from the respondents. The second section had general questions. The third part focused on the current situation. The fourth part explored financial problems; the fifth section asked about governance and policy issues; and the final section encompasses the workplace and physical conditions, including choice questions on their problems during street vending and multiple-answer questions on different aspects of street vending. These questions were tailored to identify the current status and culture of street Vending in Dhangadhi and to get comprehensive knowledge of the different problems of street vending.

Results and Discussion

It encompasses an exposition of the practical tasks undertaken. The main purpose of descriptive analysis within this context is to offer a precise and concise summary of the collected data from 84 street vendors without making any guesses or generalizations beyond the observed dataset. Write here how or

on what basis you analyzed the collected data.

Demographic Information

The data set of the street vendors is collected to explore the level of education, their age, and gender. It depicts that most of the respondents have only a high school education level, and few of them have a higher university degree.

Figure 3

Demographic Information

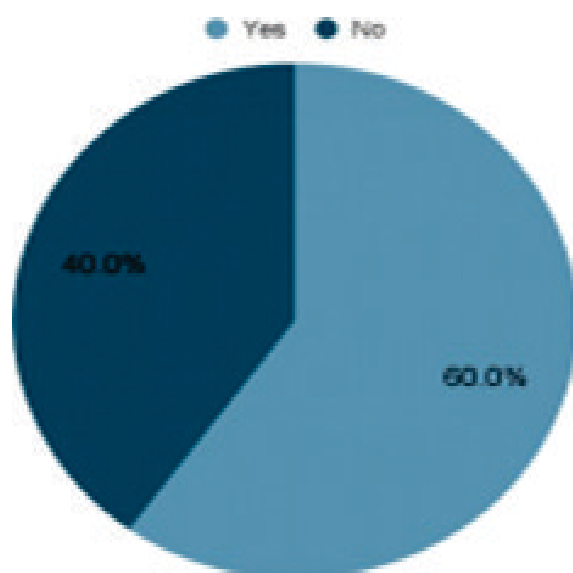
Age	Respondent	Gender	Respondent	Education	Respondent
Less than 25 years	26	Male	34	High School	49
25–35 years	51	Female	50	Secondary Level	30
More than 35 years	7	-	-	Bachelors/ Masters	5

The above table shows that, the majority of the street vendor profession is conducted by females rather than males, out of which we can clearly see that most of the respondents fall in the 25-35 year age group.

Migration for Street Vending

Figure 4

Street Vendor Migration

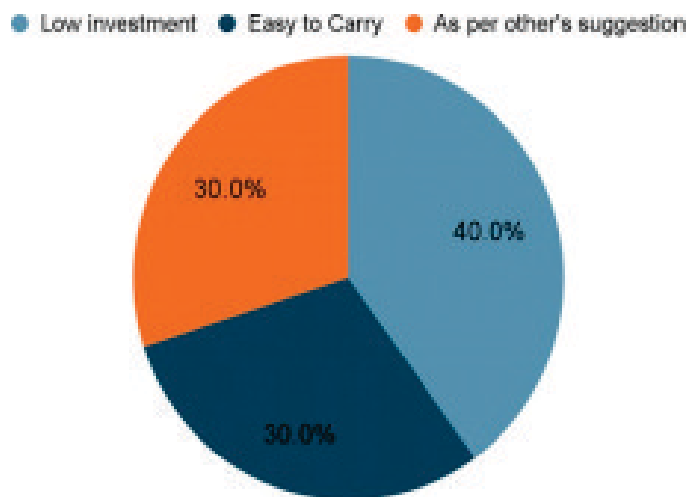


The above pie charts represent the respondents' who migrated to Dhangadhi for street vending in which 60% of the respondents have said that they have migrated for this particular purpose.

Reason for choosing the Business

Figure 5

Business Selection

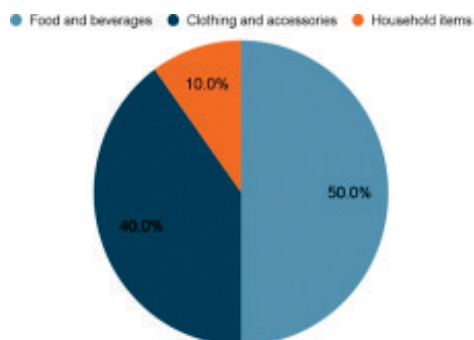


The pie chart indicates the respondents' reason for choosing street vending. The majority of respondents have chosen this profession as there is a low investment opportunity, rest of the respondents are engaged as it is easy to carry out such business and as per the suggestions of others.

Respondents' products and services

Figure 6

Vending Products

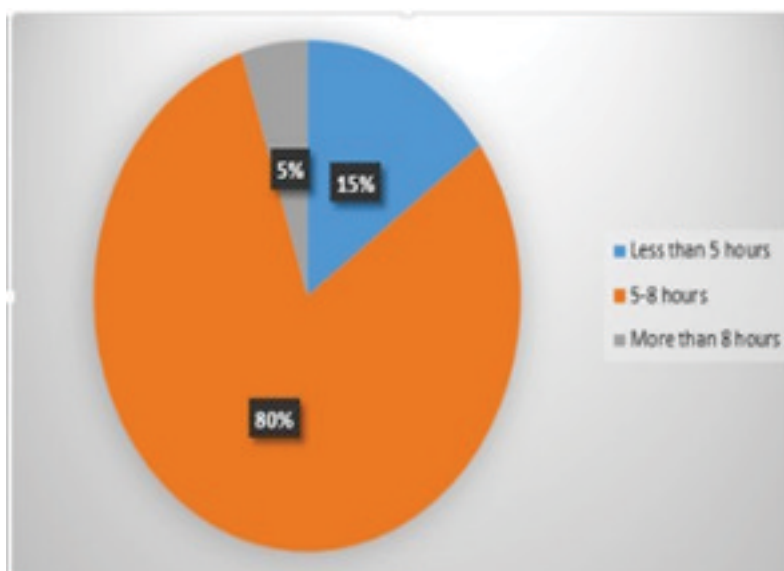


The pie chart depicts the types of products they are selling. The majority of the street vendors are engaged in selling food and beverages, which is followed by clothing and accessories, and lastly, the household items are the products to be sold among the street vendors.

Respondents daily working hours

Figure 7

Daily Working Hours of Respondents

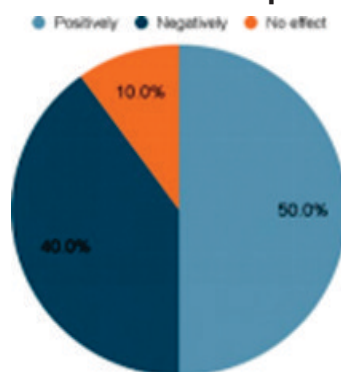


The above graphs show the daily hours spent by the street vendors to sell their product in a specific time of the day, in which the larger number of respondents spent 5 to 8 hours a day, whereas only a few of them spent less than 5 hours and more than 8 hours a day.

Respondents affected due to recent urban development

Figure 8

Urban Development and Affected Respondents

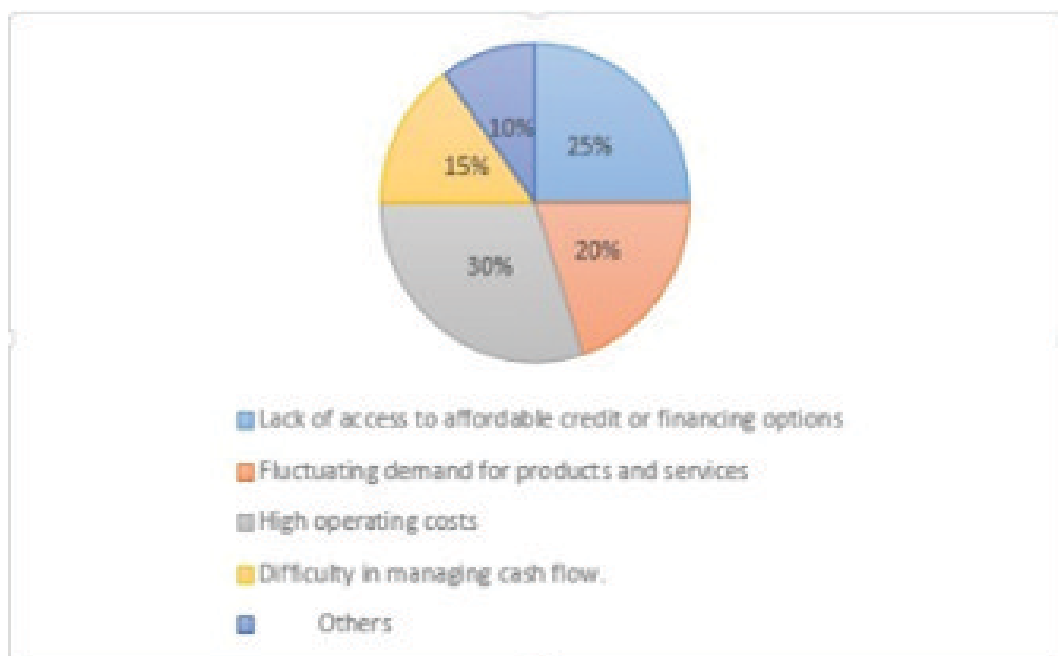


The above pie chart shows the respondents affected due to recent urban development. 50% of them were positively affected by the urban development, while 40% of respondents were negatively affected, and the rest of them faced no problem at all.

Vendors' primary challenges affecting the financial stability of their business

Figure 9

Challenges Impacting Vendor Financial Stability



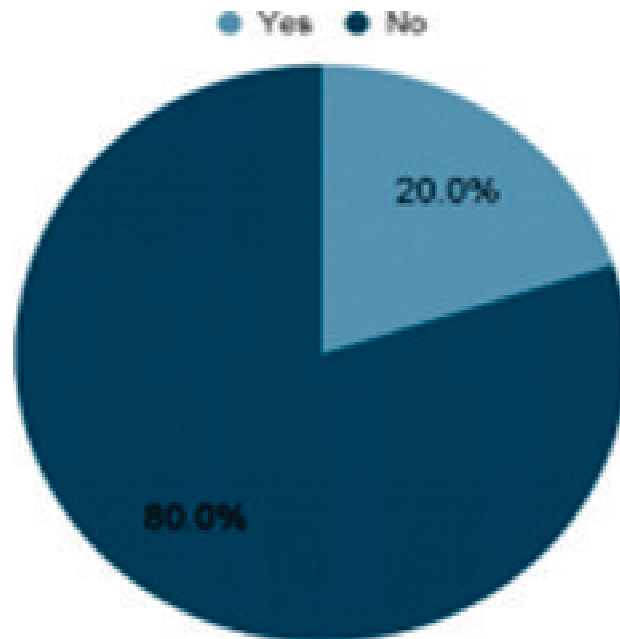
The given graphs show the primary challenges faced by the street vendors, in which 25% of them have faced a lack of access to affordable credit or financing options; similarly, 20% are facing a problem due to fluctuating demand for products and services; on the other side, 30% of respondents are having a problem with high operating costs, and the rest are having a problem in managing cash flow.

Vendors receiving any training or support in entrepreneurship or food safety

Figure 10

Vendor Training and Support

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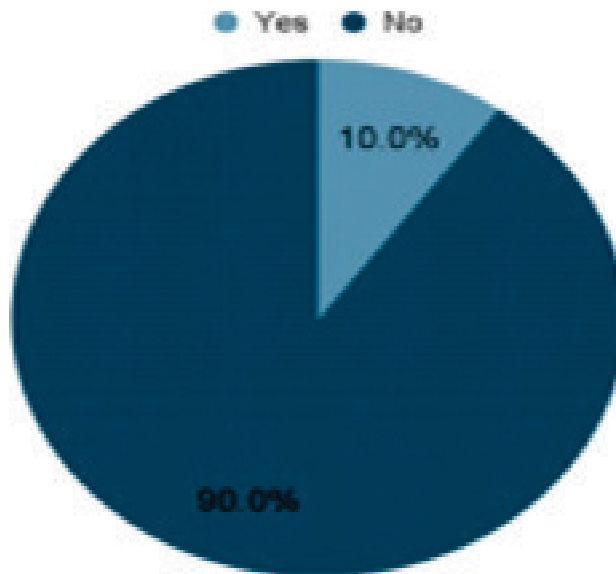


The above pie charts show the respondents receiving training or support, where only 20% of respondents are obtaining training in entrepreneurship or food safety from the various agencies

Level of awareness of policies and regulations.

Figure 11

Awareness of Policies and Regulation



The pie chart shows the level of respondent's awareness on policies and regulations, and it depicts that only 10% of respondents are aware of the general rules and regulations for doing street vendor jobs.

Major Findings

The objective of the study is to examine the problems of street vendors and the current situation of street vendors in Dhangadhi. The variables that affect the operations of street vendors include financial problems, governance and policy issues, and workplace and physical conditions. On the basis of the above-mentioned variables, the major findings of the study are summarized as follows:

Most of the street vendors in Dhangadhi are women; they comprise (60%) of all vendors, while the remaining (40%) are men. This reflects the participation of females in informal economic activities.

Most vendors range from the age of 25-35 years with an education till high school or secondary level, this reflects the involvement of people with no significant education level.

A large proportion of vendors (60%) migrated to Dhangadhi for street vending opportunities. This means that street vendors are a livelihood option for individuals seeking economic opportunities.

The data shows the range of work experience of street vendors, with the majority having worked for 1-5 years (35%) and less than one year (25%); this means a mixture of experience and flow of new entrants to the street vending sector.

The main reasons given by the respondents for choosing street vending were low investment cost (40%), ease of carrying (30%), and suggestions from others (30%)

The most common goods and services offered by retailers are food (50%) followed by clothing and accessories (40%), indicating a focus on essential consumer goods.

Half of the respondents reported that they have been positively affected by recent urbanization, while 40% reported negative impacts. This highlights the close relationship between urban development policy and the lives of street vendors.

Most vendors (90%) are unaware of policies directly affecting street vending, have mixed views on fairness, and support the current regulatory framework.

Conclusion

Street vendors in Dhangadhi face significant challenges related to space availability, financial stability, and policy awareness. Rapid urbanization, including ongoing road expansion and the prioritization of parking spaces, has exacerbated their struggles, leaving them with limited or no proper areas for vending. Many vendors are forced to rent indoor spaces, incurring high operational costs that further constrain their livelihood.

This study has revealed critical insights into the street vending sector in Dhangadhi. A majority of street vendors are women, reflecting the significant role of informal economic activities in empowering females. The vendors, largely aged 25-35 and with education levels up to high school, view street vending as a low-investment and accessible livelihood. Migration accounts for a substantial portion of the vendor population, indicating the sector's appeal as a survival mechanism for economically vulnerable individuals. Despite varying levels of work experience, the sector continues to attract new entrants, contributing to the diversity and adaptability of this informal market. Street vending predominantly involves essential goods, with food and clothing as the primary offerings. While some vendors acknowledged the positive impacts of urbanization, others highlighted its adverse effects, underscoring the dual nature of development. Most vendors lack awareness of policies governing their trade, reflecting a critical gap in governance and communication.

The findings underscore the urgent need for inclusive urban planning and policy reforms to address the systemic challenges faced by street vendors. Local authorities must allocate designated spaces for street vending, ensure fair governance, and enhance awareness about regulatory frameworks among vendors. Additionally, offering low-interest financial schemes and creating support systems for informal workers could stabilize their operations and incomes.

Practically, resolving these issues can have far-reaching implications. Not only will it secure the livelihoods of street vendors, but it will also enhance the flow of affordable goods and services for urban populations. As street vendors play a crucial role in local economies, fostering their growth will contribute to balanced economic development and social equity.

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