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Digital Markets vs. Street Markets: Challenges Faced by Street Vendors in Ernakulam

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ABSTRACT

India's urban trade and consumer behaviour have changed as a result of the growth of digital markets. Traditional street vendors in cities suffer major social and economic obstacles, even while internet platforms provide convenience and a wider audience. The challenges faced by street vendors in Ernakulam, Kerala, as a result of digital competition, restricted financial access, and legal limitations, are the main emphasis of this study. This study examines their socioeconomic circumstances, the effects of internet marketplaces, and possible integration and empowerment tactics using primary data gathered from 100 street vendors as well as secondary sources. The results show that while digitization has benefited customers, it has made street vendors especially women more vulnerable. To guarantee inclusive urban economic growth, policy changes, financial literacy courses, and digital inclusion projects are advised.

Keywords: street vendors, Digital payment, Informal market

INTRODUCTION

India's urban economy has historically relied heavily on street vendors, who provide local populations with convenient shopping, fresh vegetables, and reasonably priced commodities. In Kerala's quickly urbanizing city of Ernakulam, street vendors play a vital role in creating jobs and boosting the local economy in addition to offering necessities. Despite their significance, street vendors frequently confront several socioeconomic obstacles and are disregarded in legislative frameworks. Another level of competitiveness has been brought about by the emergence of digital marketplaces and e-commerce platforms. Customers are moving away from conventional street markets due to the shift in consumer preferences brought about by online shopping applications and home delivery services. Although customers now have easier access to goods because to digitization, vendors especially those without access to technology or digital literacy also face economic instability. The viability of informal marketplaces, egalitarian livelihoods, and inclusive urban expansion are all called into question by this scenario.

STATEMENT OF THE PROBLEM

Ernakulam's urban street vendors face two obstacles: overcoming the systemic flaws in informal employment and contending with online marketplaces. They specifically struggle with: less foot traffic due to online shopping. Limited access to financial institutions and credit facilities. Health hazards resulting from long workdays, exposure to the outdoors, and poor sanitation. Complicated licensing procedures, eviction threats, and harassment are examples of legal and regulatory barriers. Understanding these concerns is necessary to develop policies that support the unorganized sector while promoting financial inclusion and digital literacy.

SIGNIFICANCE OF THE STUDY

The significance of this work is multifaceted:

Economic Contribution: By offering reasonably priced items, street vendors make a significant contribution to the urban economy. Recognizing these difficulties emphasizes the necessity of inclusive progress. Implications for Policy: Government initiatives to strengthen street vendors can be informed by identifying gaps in digital integration, regulation, and financial access. Social Equity: A significant percentage of street vendors is women. Helping them improves social inclusion and gender parity. Urban Planning: Incorporating street vendors into contemporary urban marketplaces guarantees sustainable urban growth while preserving informal labourers.

METHODOLOGY OF THE STUDY

The study combines primary and secondary data using a mixed-method approach: Primary Data: One hundred street vendors throughout Ernakulam's urban areas including residential neighbourhoods, business districts, and marketplaces were surveyed. Demographics, income levels, difficulties, financial services accessibility, and knowledge of digital technologies were among the information gathered. Secondary Data: To put the findings in context, scholarly publications, official government reports, local documents, and news stories on street selling and online marketplaces were examined. Sampling strategy: Purposive sampling was used to choose suppliers from markets for necessities and high-density commercial districts. The study covered both male and female vendors, with a particular emphasis on women merchants due to their increased vulnerability.

OBJECTIVES OF THE STUDY

- To investigate the socioeconomic characteristics of urban Ernakulam Street vendors.
- To examine the difficulties that street vendors encounter as a result of the growth of digital marketplaces, such as decreased sales, financial marginalization, and a lack of computer literacy
- To make recommendations for policies and tactics that support digital integration, financial inclusion, and the stability of street vendors' livelihoods in the age of internet commerce.

CONCEPTUAL FRAMEWORK

A conceptual framework is a narrative or visual depiction of the main variables, their connections, and the presumptions that underpin a research project. The foundation for this study shows how structural weaknesses and digital marketplaces impact Ernakulam Street vendors' livelihoods.

Important Elements: Factors influencing street vendors, or independent variables: Growth of the digital market includes the development of mobile shopping apps, online delivery services, and e-commerce. Financial inclusion includes having access to microfinance, credit facilities, and formal banks. Regulatory Environment: Threats of eviction, harassment, municipal regulations, and licensing procedures. Workplace conditions include infrastructure, hygienic conditions, health risks, and work hours.

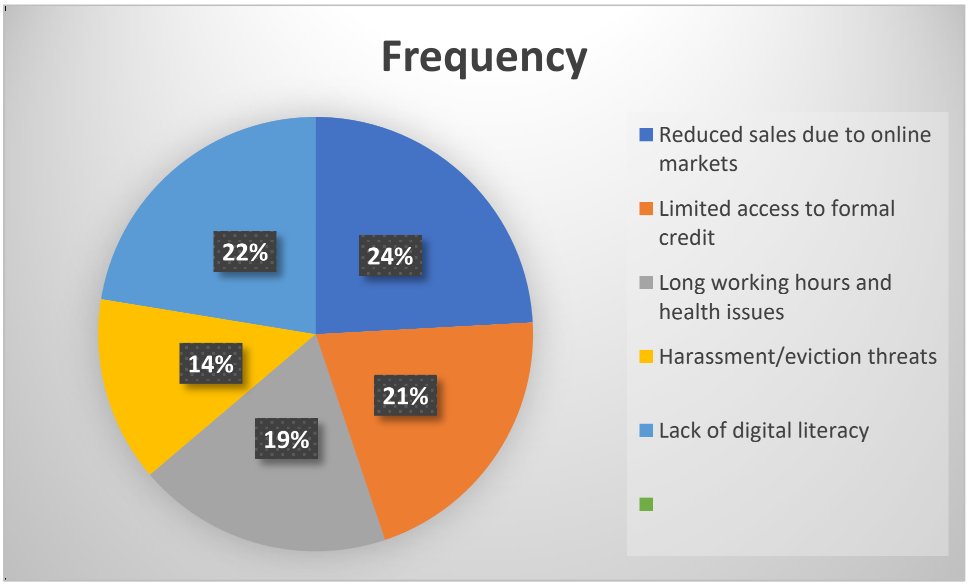
Digital literacy includes understanding and utilizing internet marketing, digital payments, and mobile applications. Street vendors' economic and social well-being is a dependent variable that is assessed by social inclusion, sales, client traffic, livelihood security, and income stability. Managing Factors: Gender: Because of sociological and economic circumstances, women vendors may be more vulnerable. Type of Goods Sold: Compared to vendors selling durable goods, those selling perishables (food items) may be more vulnerable. Vending locations include less crowded places and high-density metropolitan areas. Potential Solutions (Intervening Variables): Policies that promote and enforce the Street Vendors Act, as well as financial literacy and training initiatives. Tools for digital integration (basic vendor e-commerce platforms) Networks of community support

DATA ANALYSIS AND INTERPRETATION

Table 1:

Demographic Profile of Street Vendors (n=100)

Characteristic	**Frequency**	**Percentage**
Gender		
Male	45	45%
Female	55	55%
Age Group		
18–30	30	30%
31–45	40	40%
46–60	25	25%
Above 60	5	5%
Type of Goods Sold		
Food Items	40	40%
Clothing & Accessories	30	30%
Household Goods	20	20%
Miscellaneous	10	10%



(Sample size: 100 street vendors) Source: primary data

Women (55%) exceed males (45%) in Ernakulam's street vendor demographic profile, highlighting the vital role that selling plays in sustaining homes headed by women. Most vendors are between the ages of 31 and 45, which suggests that selling is their main source of income rather than a side gig. While elderly vendors (46+ years, 30%) confront health and security issues, younger vendors (18–30 years, 30%) exhibit promise for digital upskilling. Vending of food accounts for

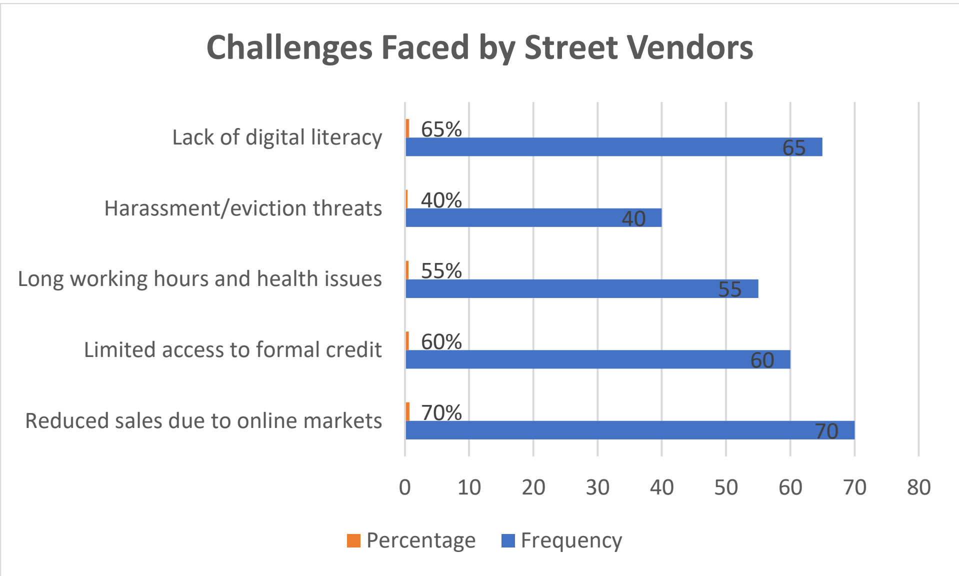
40% of revenues, with apparel and accessories being in second (30%), indicating a reliance on perishable commodities and seasonal sales. This assortment of goods exposes a range of risks, including the possibility of storage losses for food dealers and fierce rivalry for apparel vendors online. The variety of suppliers and the requirement for specialized support programs are shown by the demographic distribution. Therefore, while designing policies, gender, age, and the kind of commodities offered must be taken into account.

Challenges Faced by Street Vendors (n=100)

Table 2

Challenge	Frequency	Percentage
Reduced sales due to online markets	70	70%
Limited access to formal credit	60	60%
Long working hours and health issues	55	55%
Harassment/eviction threats	40	40%
Lack of digital literacy	65	65%

(Sample size: 100 street vendors) Source: primary data



With 70% of street vendors reporting lower sales as a result of online platforms, the difficulties they encounter highlight the profound influence of digital markets. This is made worse by a lack of digital literacy (65%), which inhibits vendors from using digital payments or e-commerce. For 60% of people, financial exclusion is a significant obstacle that forces them to rely on high-interest informal loan sources. Their capacity to adjust to new systems is further strained by long work hours and health concerns (55%). Furthermore, 40% report being harassed and threatened with eviction, underscoring the lax implementation of protective regulations. The results imply that overlapping limitations rather than a single issue are the cause of economic instability. When taken as a whole, these issues highlight the pressing need for digital training, financial inclusion, and more robust legislative enforcement

FINDINGS AND SUGGESTIONS

The findings demonstrate the precarious position of street vendors in urban Ernakulam. Digital marketplaces help consumers, but they also cause revenue uncertainty for vendors. Women vendors are disproportionately affected because of their limited access to digital technology, financial resources, and expertise. Financial literacy is one important intervention that is brought up. Because they occasionally rely on unlicensed moneylenders who demand outrageous interest rates, vendors' financial flexibility is restricted. Training programs in budgeting, mobile banking, and digital payments may increase resilience.

Frameworks for policies also need to be strengthened. There are still implementation gaps even though the Street Vendors (Protection of Livelihood and Regulation of Street Vending) Act, 2014, provide legal protection. Vendors continue to face problems that threaten their financial stability, including as intimidation, eviction, and arbitrary licensing. Lastly, one possible option may be to include street vendors into online platforms. Small vendors may be able to expand their market reach while maintaining their conventional business strategy with the aid of local support networks and simplified e-commerce apps.

CONCLUSION

The urban economy of Ernakulam depends heavily on street vendors, but as digital marketplaces grow, they are facing more and more difficulties. Their livelihoods are under danger, especially for women, due to e-commerce competition, financial marginalization, work dangers, and regulatory demands. This study emphasizes the necessity of multifaceted approaches, such as training in digital skills and financial literacy. Availability of reasonably priced banking and credit services. Bolstering the application of protective laws. Promoting the incorporation of street vendors into online shopping. Supporting street vendors is crucial for social justice, inclusive urban development, and sustainable livelihoods in addition to economic ones. In Ernakulam, preserving informal trading in tandem with digitization will help create a more resilient, inclusive, and balanced urban economy.

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