

## Contribution of Small-scale Food Vending to Rural Livelihoods in Thulamela Municipality of Limpopo Province, South Africa

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**ABSTRACT** In South Africa, information on the contribution of small-scale food vending to the livelihoods of food vendors is inadequate and unreliable. The purpose of this study was to assess the contribution of small-scale food vending to the livelihoods of those involved in it. A mix of qualitative and quantitative design was used in this study. Qualitative data was collected through key informant interviews and focus group discussions. Quantitative data was collected using a questionnaire, which was administered face-to-face with 126 food vendors. The results affirmed that small-scale food vending enhanced socio-economic development, family support and overall community development. It was recommended that the Thulamela Municipality should include possible ways of supporting small-scale food vending as part of its local economic development strategy. However, recognition of food vending as an economic opportunity for a key sector in household, community and municipal development must precede this.

### INTRODUCTION

Unemployment is a major challenging issue in various countries, in particular in Africa (International Labor Organization (ILO) 2013; Marginean 2014). South Africa is also experiencing this phenomenon. Although its unemployment rate is decreasing, more and more people in the country find themselves without jobs. Consequently, there is a growing awareness of the need to create own employment in order to become economically viable (Chicho-Matenge and Ongori 2013; Faggio and Silva 2014). In turn, this has led to an increased tendency to create various types of small-scale businesses such as food vending. In many developing countries, including South Africa, small-scale food vending is widely regarded as an urban area-based economic activity (Okojie and Isah 2014). However, there is a massive increase in small-scale food vending in rural areas such as most of Thulamela Municipality in Limpopo Province of South Africa. The latter is a strategy meant to address worsening unemployment and lack of economic growth (Proietti et al. 2014). Increasingly, small-scale food vending is being recognized as central in employment creation, provision of various low cost, convenient and often times, nutritious foods and generation of special income, in particular for those involved in it (Samapundo et al. 2015; Unnevehr 2015). Mukhola (2014) contends that small-scale food vend-

ing is a pillar of the various segments of the informal sector that rural people use to improve their livelihoods. Within Limpopo Province in South Africa, small-scale food vending is reported to be making a significant contribution to the livelihoods of the poor (Mukhola 2014). This means that there is a potential for strengthening the informal sector by implementing strategies that are pro-small-scale food vending.

The evidence presented above highlights the potential benefits that the informal sector and in particular, small-scale food vending might bring to an economy if properly developed. Considering the popularity of small-scale food vending, especially in South Africa's rural towns (FAO 2014), there is no doubt that this might be a key driver for rural livelihoods and economies. However, in Thulamela Municipality, information on the contribution of small-scale food vending to the livelihoods of those who practice it is inadequate and unreliable. This reality seems to be a common feature of the entire Vhembe District of Limpopo Province where Thulamela Municipality is located. Given this situation, it is not surprising that the local economic development (LED) strategies of all four local municipalities in Vhembe District are silent on small-scale food vending. Yet, the 2014-2015 Thulamela Municipality Integrated Development Plan (IDP) acknowledges that the residents of the villages that surround most towns in the District, including Thohoyandou, work within informal enter-

prises and derive their living as self-employed, micro-entrepreneurs and service providers. This study sought to assess the contribution of small-scale food vending to the livelihoods of people in rural areas of Thulamela Municipality in Limpopo Province, South Africa, specifically focusing on Thohoyandou.

### METHODOLOGY

The study was conducted in the Thulamela Municipality of Vhembe District in Limpopo Province (Fig. 1). Thulamela Municipality is one of the four local municipalities that form the Vhembe District Municipality. It shares its borders with the Kruger National Park on the east, Mutale Municipality to the northeast, Greater Giyani Municipality in the south and Makhado Municipality in the west. The Municipality was established in the year 2000, as per the Local Government Municipal Structures Act 177 of 1998. The Municipality covers an area of 296,641,197 km<sup>2</sup>, which is fourteen percent of the total area of Vhembe District Municipality (Thulamela Municipality 2014). At the time of the study, the Municipality's population was estimated to be 618,462 (Statistics South Africa 2011). The Municipality covers vast tracts of land in rural areas, which mainly fall under traditional leadership. Thohoyandou is its political, administrative and commercial center. Informal small-scale trading is one of the most popular business ventures. Fruit and vegetable sellers constitute the largest proportion of informal traders, followed by clothing retailers and small-scale food vendors, respectively (Thulamela Municipality 2014). Other activities include glazing, car washing, fashion jewelry, dry foods, street nurseries and radio repairs.

This case study was exploratory and to a limited extent, evaluative, implying that a mixed methods design was used. It sought to fill the gaps in information and knowledge relating to the socioeconomic features of small-scale food vending. Small-scale food vendors in Thulamela Municipality constituted the study population. One hundred and twenty-six small-scale food vendors operating in informal trading areas within the Thohoyandou business area were selected to participate in the study. This was done in order to obtain their opinions on small-scale food vending. Primary data, which was both qualitative and quantitative in nature, was

collected in two sequentially integrated phases. During the first phase, the study participants were purposively sampled. Qualitative data was collected using key informant interviews and focus group discussions. Key informant interviews were conducted with the following stakeholders serving as the respondents: Thulamela Local Economic Development manager and officer, and a manager working for a parastatal called Limpopo Economic Development, Environment and Tourism. The key informant interviews preceded focus group discussions. Three focus groups were constituted. One of the focus groups comprised members of the Thohoyandou Hawkers' Association Committee. Each one of the other two focus groups was composed of seven randomly selected and interested small-scale food vendors. Because it is imperative to observe ethics when conducting research, informed consent and the right to participate were adhered to. Ethical clearance was sought from the University of Venda. Also, the Municipal Manager of Thulamela Municipality granted permission to interview street food vendors. Written consent of the street food vendors was sought, implying that only those who volunteered to participate were interviewed. This was important in order to ensure that the participants were acquainted in advance with every aspect of the study. For this reason, the participants were assured that the information collected would be used for the sole purpose of this study. They were given the opportunity to ask questions and decide whether to participate or not.

The principal researcher led the team comprising five research assistants who collected the data. All the research assistants were university students pursuing postgraduate degree studies. Prior to embarking on data collection, the research assistants underwent training, which focused on how to administer the tools designed for the purpose. The training helped to orientate the research assistants on the objectives of the study. Members of each focus group wrote their perceptions on flipcharts using markers whenever consensus was reached on any issue they discussed. The perceptions of key informant interviewees were also written in notebooks. All the flipcharts were labeled correctly, showing the respective focus group's identification details and composition. The re-

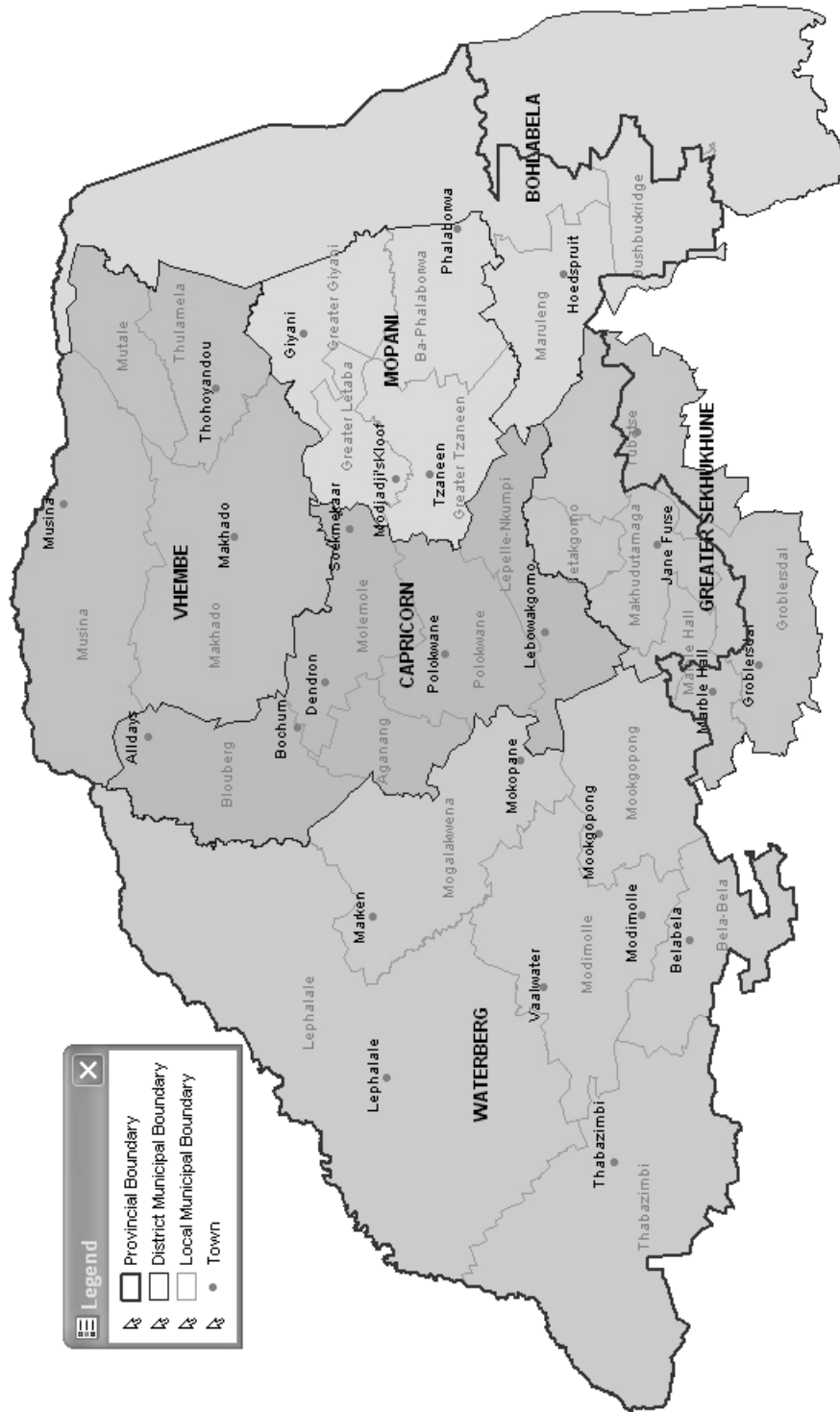


Fig. 1. Map of Limpopo Province in South Africa showing the location of Thohoyandou in Thulamela Municipality

search assistants collected the flipcharts and stored them for further processing of the collected data.

The results of first phase of the study were summarized and organized into subthemes. This consolidated information was used to give feedback to the respondents, namely Thohoyandou Hawkers' Association Committee and food vendors who were organized into focus groups. Giving feedback was desirable because it helped confirm the results. Also, the priority ranking of issues, which was achieved through this exercise, was important in building a clearer and deeper understanding of the perceptions of the food vendors. The data obtained through the confirmatory focus group discussions was used to construct a structured questionnaire with closed-ended questions that was administered face-to-face as interviews during phase 2 of the study. Each respondent was expected to give responses on a 5-point Likert-type scale ranging from 1 (strongly disagree) to 5 (strongly agree). The questionnaire was pretested with 10 randomly selected street food vendors at the Sibasa taxi rank within Thulamela Municipality. None of the vendors who participated in the pretesting were included in the final survey. After pretesting, the questionnaire was revised. The revised questionnaire was then administered to 126 small-scale food vendors.

The quantitative data on street food vending that was collected in this study was cleaned before being coded, captured and stored on a Microsoft Excel spreadsheet. All the data was nonparametric. They were imported into the Statistical Package for Social Sciences version 22.0, which was used to analyze the data. The mean scores of the 12 perceptions regarding the contributions of street food vending to rural livelihoods were calculated and ranked.

## RESULTS

### Demographic Information

Ninety-two percent of the 126 small-scale food vendors who participated in this study were women. Approximately, seventy-three percent of the small-scale vendors were 21 to 40 years old, followed by fourteen percent who were aged between 15 to 20 years. Slightly more than one-tenth (12%) of the small-scale food vendors were aged 40 to 59 years. Forty-one percent of the

respondents were married, thirty-eight percent single, eleven percent divorced and eight percent widowed. Seventy-one percent of them had attained secondary school education, with eighteen percent having completed primary schooling only. Eight percent of the vendors had tertiary qualifications. The remaining three percent had never been to school. Less than half of the small-scale food vendors (44%) indicated that there were 1-3 members in their families. This contrasted with about thirty-three percent who reported that their families had 4-5 members. Less than a third (28%) of the vendors were staying alone. Eight percent indicated that there were 6-9 members in their families. A relatively small number of small-scale food vendors (2%) belonged to families with 10-12 members.

### Contribution of Small-scale Food Vending to Rural Livelihoods

The perceived contribution of small-scale food vending to rural livelihoods in Thulamela Municipality could be categorized into the following subthemes: socio-economic development, family support, and service provision. Socio-economic development was the most commonly identified contribution of small-scale food vending. Most of the street food vendors (83%) reported that their businesses created jobs for themselves and others. A considerable proportion of the food vendors (81%) also reported that they managed to raise rental fees to pay for storage facilities for their stoves, tables and chairs. More than three-quarters (79%) of the respondents indicated that money generated through the street food vending business was used to meet transportation costs. There were also about seventy-six percent of the respondents who pointed out that they used the money they generated to pay fees charged for education and skills development. Three-quarters (75%) claimed that small-scale food vending improved food security in their rural households. More than two-thirds (71%) of them strongly agreed that money generated through the food vending business was used to pay electricity bills. An equally large number (70%) of the vendors claimed that they used the money they earned to buy clothes for their families. Approximately, forty-six percent indicated that the proceeds from the food vending business enabled them to purchase household furniture and related goods.

The mean scores of the 12 perceptions relating to the contributions of small-scale food vending to rural livelihoods are presented in Table 1. The top ranked contribution of small-scale food vending to rural livelihoods was: “job creation for sellers and their workers”.

## DISCUSSION

The small-scale food vendors who participated in this survey were predominately women. Studies carried out in Brazil (da Silva et al. 2014), Nigeria (Aluko et al. 2014) and South Africa (Mukhola 2014) also revealed that women dominated the informal sector. Apparently, women find it easier to venture into the street food vending business because they become involved in food preparation for the family at an early stage. It is evident from the results of this study and elsewhere that small-scale food vending can be regarded as a significant income-generating strategy for women in rural communities.

Most respondents were 21 to 39 years old. This observation is in agreement with the findings of other studies conducted in Nigeria (Okojie and Isah 2014) and Zimbabwe (Njaya 2014) where most of the vendors were 20 to 40 and 21 to 40 years old, respectively. Taking these facts into account, it can be argued that small-scale food vending is popular among youth and middle-aged women. This is partly attributed to the ever-worsening youth unemployment in South Africa and beyond. Statistics South Africa (2014) estimates that since 2008 youth unemployment in the country has fallen by three percent to reach the current rate of thirty-six percent. This might partially explain why the results of this

study seemed to suggest that small-scale food vending was a crucial livelihood strategy for alleviating youth unemployment in Thulamela Municipality.

Most vendors had attained secondary education. This is in agreement with the findings of Aluko et al. (2014) in Southwestern Nigeria, where ninety percent of the respondents had at least secondary education. The latter observation indicated an improvement on the educational status of small-scale food vendors in Nigeria where less than five percent of the food vendors had secondary education (Otoo et al. 2012). Greater access to quality education was likely to have helped create greater and more decent job opportunities for young men and women. Women who are often not well educated lack the skills or access to training and opportunities to obtain higher wage earning jobs or better paid professional positions. Consequently, they resort to informal businesses such as small-scale food vending to generate income. The majority of respondents reported that small-scale food vending created jobs for food vendors and those in need. This partly explains why most of the food vendors indicated that it was difficult for them to secure jobs in the formal sector. Thus, it was not surprising that job creation was ranked as the major reason for venturing into small-scale food vending.

Similar to the arguments presented above, Dwumfour and Agyapong (2014) observed that almost all food vendors in Metropolis, Ghana, entered the business due to their failure to secure jobs in the formal sector of the economy. Other studies conducted in Botswana (Chicho-Matenge and Ongori 2013) and Indonesia (Babbit et al. 2015) reveal the same trend. In South

**Table 1: Ranked means for contributions of small-scale food vending to rural livelihoods**

<i>Perceptions</i>	<i>Mean</i>	<i>Standard deviation</i>	<i>Ranking</i>
a) Job creation for sellers and others	4.74	0.698	1
b) Reduction of food poverty in rural communities	4.66	0.671	2
c) Generate money for transport to and from work	4.65	0.823	3
d) Generate rental fees	4.63	0.909	4
e) Meet funeral expenses	4.57	0.950	5
f) Pay electricity bills	4.45	1.048	6
g) Buy clothes wear for vendors' families	4.45	1.009	7
h) Pay fees for education and training	4.38	1.258	8
i) Contribute to gross domestic product	3.47	1.608	9
j) Buy household furniture	3.43	1.736	10
k) Build own house	3.36	1.695	11
l) Pay water bills	3.25	1.806	12

Africa, unemployment is one of most pressing socio-economic challenges affecting a quarter of the workforce (Statistics South Africa 2014). Formal sector job creation is consistently regarded as having failed to keep up with expanding labor force participation. Based on this premise, the unemployed seek job opportunities in the informal sector, including small-scale food vending. Chicho-Matenge and Ongori (2013) believe that small-scale food vending may be an important economic activity that sustains a significant proportion of rural and urban dwellers, especially within the developing countries. Thus, all these facts suggest that lack of job opportunities and the desire to improve livelihoods compels some unemployed people to become small-scale food vendors.

A large proportion of food vendors who participated in this study indicated that through food sales, they managed to raise rental fees to pay for storage facilities for stoves, tables and chairs. Almost all the food vendors operated in stalls with temporary structures and storage facilities. Their businesses were situated on street sides, at taxi or bus ranks and along pavements. This finding is consistent with other previous studies, which confirmed that getting space for the business operation was a problem that most small-scale food vendors faced (Dwumfour and Agyapong 2014; Njaya 2014). Presumably, this could be attributed to the fact that most small-scale food vendors did not have enough capital to buy or rent suitable premises from which to set up their operations. This reality justifies the need for Thulamela Municipality to consider allocating operational space to the small-scale food vendors.

The study also revealed that through small-scale food vending, the vendors generated money to pay for transport to and from work. As indicated above, street food vendors in Thohoyandou came from the neighboring rural areas. They regularly commuted to Thohoyandou to sell food on street sides. People who reside in rural areas often face numerous constraints with respect to accessing goods and services. This is often due to the long distances they have to travel to reach service centers. Moreover, the fuel costs associated with transporting goods back to their rural homes are often prohibitive. In South Africa, lack of economic activities in close proximity to their homes frequently constrains residents of rural areas. Another notable

constraint that this study revealed was the difficulty of gaining access to employment, mainly as a result of lack of information and transport. According to Proietti et al. (2014), the greater job opportunities in towns and metropolitan areas lead to a high rate of daily commuting from rural areas. An examination of the results of studies conducted elsewhere might shed better light on the significance of the latter factors of informal small-scale business operations.

A study conducted in Nigeria (Adedeji et al. 2014) reveals that most business owners live within walking distance of their operation sites or work near their places of residence because they cannot afford the high costs of transport. This implies that the ability of the food vendors in Thohoyandou to raise transport fees is crucial and justifies supporting the growth and development of roadside trading because it benefits downstream industries such as the road transport sector. Therefore, adequate rural transport infrastructure can be a significant catalyst for sustainable economic development, improved social access and poverty alleviation in rural areas.

Small-scale vended foods significantly contribute to the food intake of large segments of the population in most African countries (Akinubi and Adegboyega 2015). Apart from generating income for the household, women also feed the family using the foodstuffs they sell. The results of the current study revealed that small-scale foods improved food security in the rural area-based households. According to Unnevehr (2015), a household is considered food secure when all people, at all times, have physical and economic access to sufficient, safe and nutritious food to meet their dietary needs and food preferences for a healthy and active life. Besides South Africa's efforts to eradicate food insecurity, the majority of people, particularly in rural areas are still vulnerable to food insecurity, which often leads to nutrient deficiency problems. Thus, small-scale vended foods might play a vital role in reducing problems associated with food insecurity and are a vehicle for micronutrient supplementation for large numbers of people, especially the underprivileged people in rural areas (Asmelash 2014).

Small-scale food vendors in Thohoyandou also revealed that the business enabled them to pay fees for education and skills development. This result corroborated the observations of

Njaya (2014) who pointed out that most food vendors interviewed in Harare, Zimbabwe indicated they used their income to meet basic household requirements such as education, household goods and clothing. Better education is an essential prerequisite for reducing poverty and ultimately, improving the living conditions of residents of rural areas. In addition, education is a critical issue in development, especially in rural areas.

Rural-based households often depend on remittances from migrant relatives and also social security grants. This makes them vulnerable to food insecurity and poverty. According to Lin and Yamao (2014), social safety nets should be used as the last resort to assist poor households that have not benefitted from an enabling, pro-poor economic development environment. Small-scale food vending helps minimize poor households' excessive dependence on government assistance and other external support. A study conducted in Gaborone, Botswana (Chicho-Matenga and Ongori 2013) revealed that most of the small-scale food vendors (97%) indicated that income received from food vending helped reduce dependency on government packages and handouts for the destitute. Through street vending, those involved, sustain themselves and their dependents. This might be the reason why the latter researchers contend that if food vendors fail to sell on the streets, most of them would be unemployed, destitute and even turn to crime and rioting, among others. In this regard, small-scale food vending should be viewed as a social safety net for the underprivileged population in rural areas. Based on these results, it can be argued that street food vending contributes to a multiple range of aspects of rural livelihoods. Such contributions are important for the people's social welfare, without which some families would find it impossible to live decent lives. Although the income from the small-scale food sales is low, it is a crucial ingredient of rural development. Therefore, there is merit in devising a comprehensive strategy for strengthening small-scale food vending in Thulamela Municipality as part of its broader LED strategy.

### CONCLUSION

This study highlighted the various ways in which small-scale food vending contributed to the livelihoods of the households in Thulamela Municipality. Among these were socio-economic development, family support and service pro-

vision. Most vendors reported that their businesses created jobs for themselves and others. Also, the income generated from food vending was used to meet expenses relating to transportation, fees for education and procurement of basic services. Small-scale food vending is crucial because it helps reduce food insecurity in rural communities and enhances development relief. Based on the above, it can be concluded that small-scale food vending is a critical pillar of livelihood strategies for unemployed inhabitants of rural areas. Lastly, the fact that small-scale food vending constitutes a larger part of the informal sector makes it worth appreciating, recognizing and supporting.

### RECOMMENDATIONS

Given the results of this study, it is recommended that Thulamela Municipality should explore possible avenues for supporting small-scale food vending. For this to happen, the Municipality should officially recognize small-scale food vending as an economic opportunity for those practicing it.

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