

Wet Market and Small Food Vendors in Nanjing, China

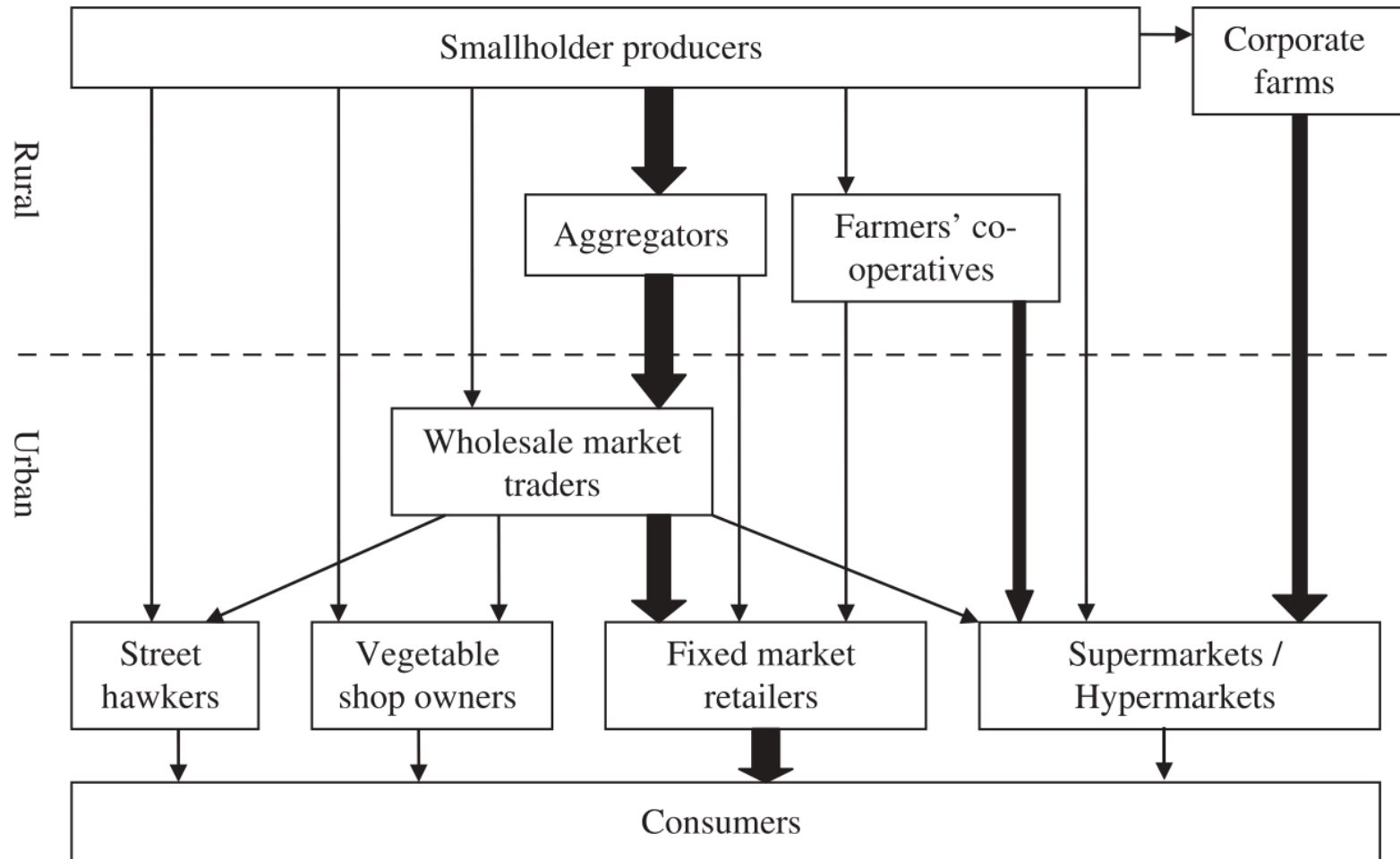
Zhenzhong Si

Balsillie School of International Affairs

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Urban food system in China

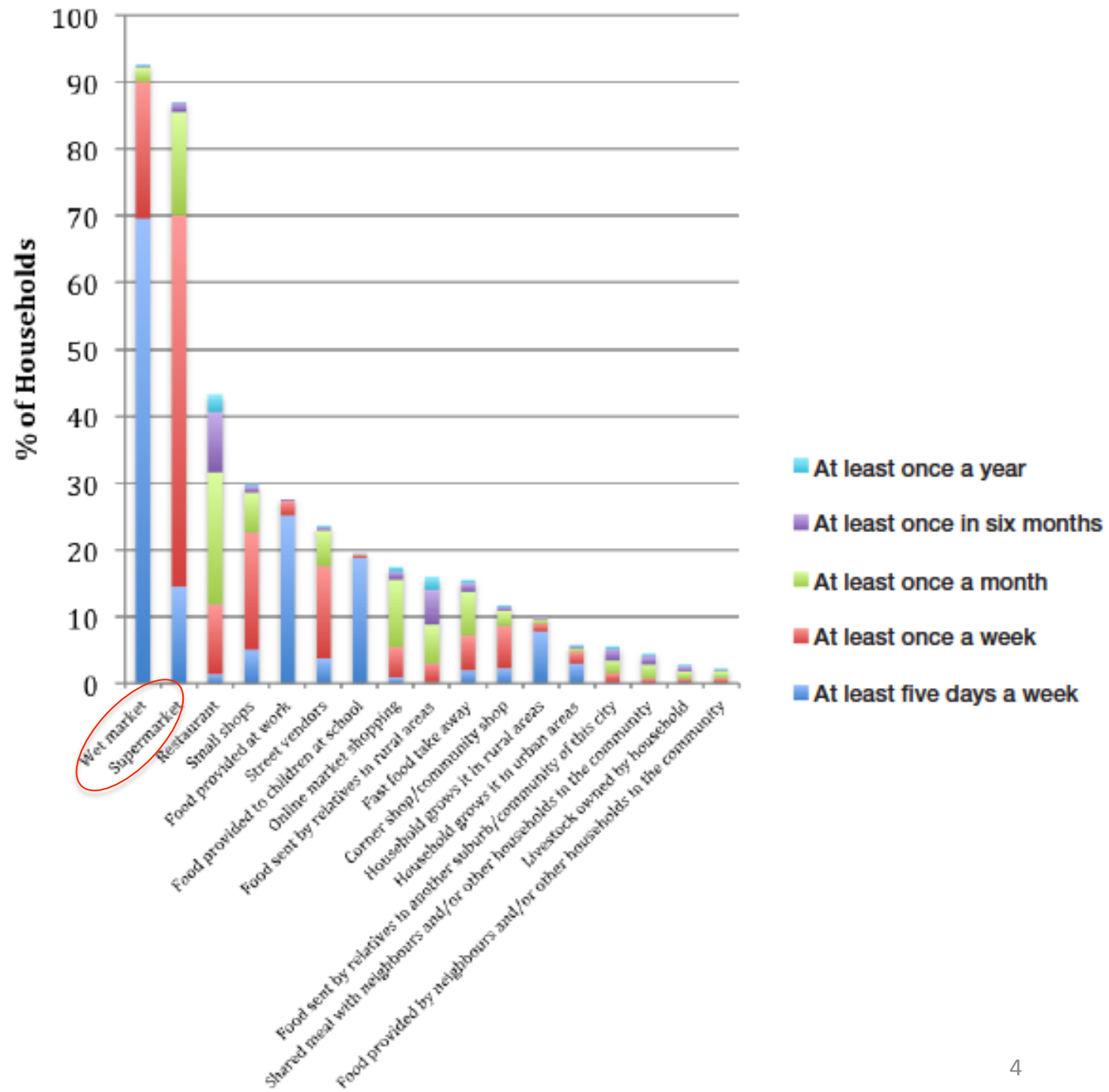


A typology of food retailing outlets

- Diverse food outlets
 - Supermarkets
 - Wet markets
 - Small food shops
 - Street food vendors



Food sources

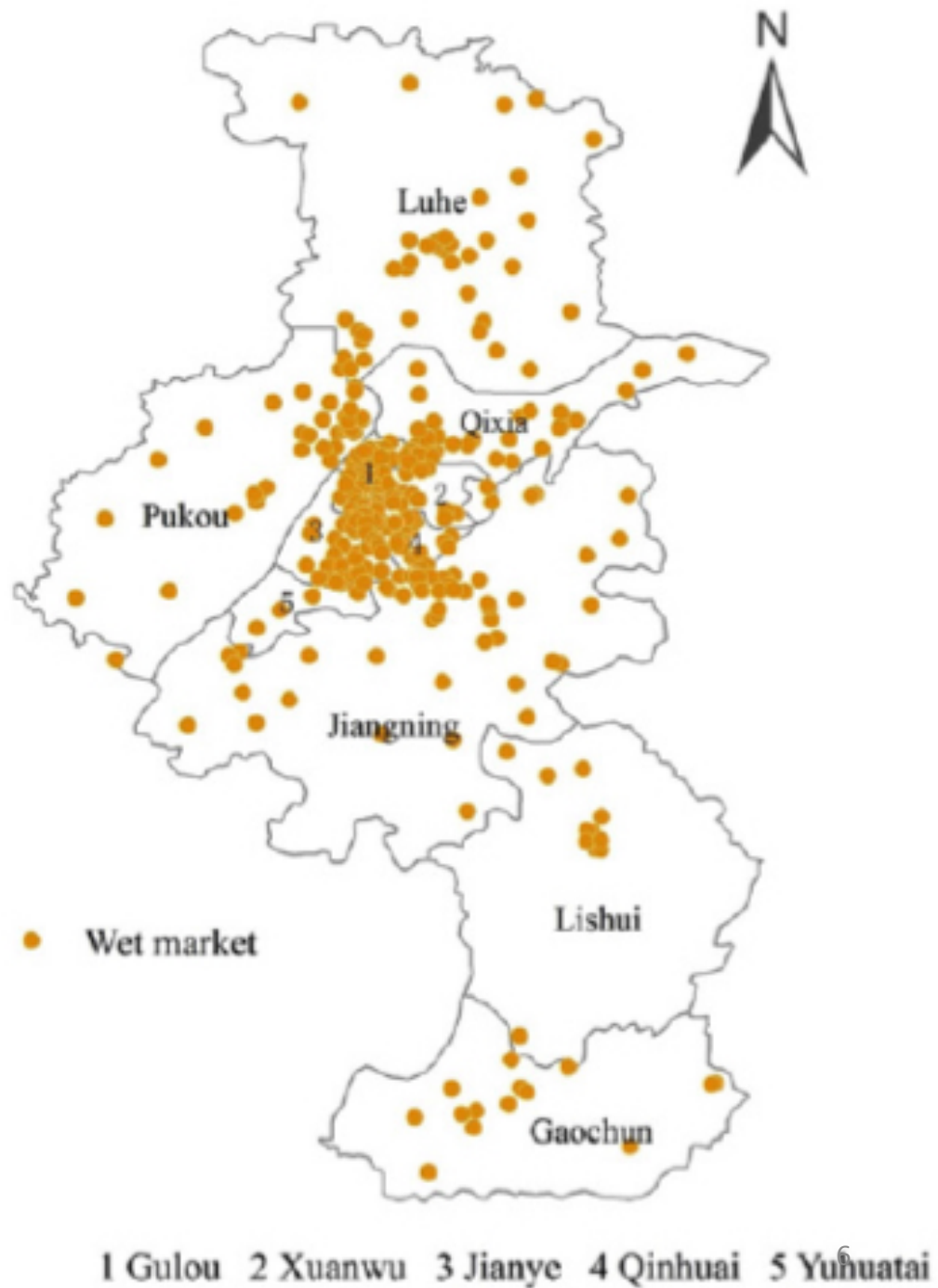


Food purchasing patterns

- the main food outlets where households purchased each food item
 - Food items more commonly purchased in supermarkets included staple grains (rice), dairy and eggs, and processed food.
 - Food items more commonly purchased in wet markets included fresh produce (vegetables and fresh fruits), fresh animal products, frozen and cooked meat, etc.

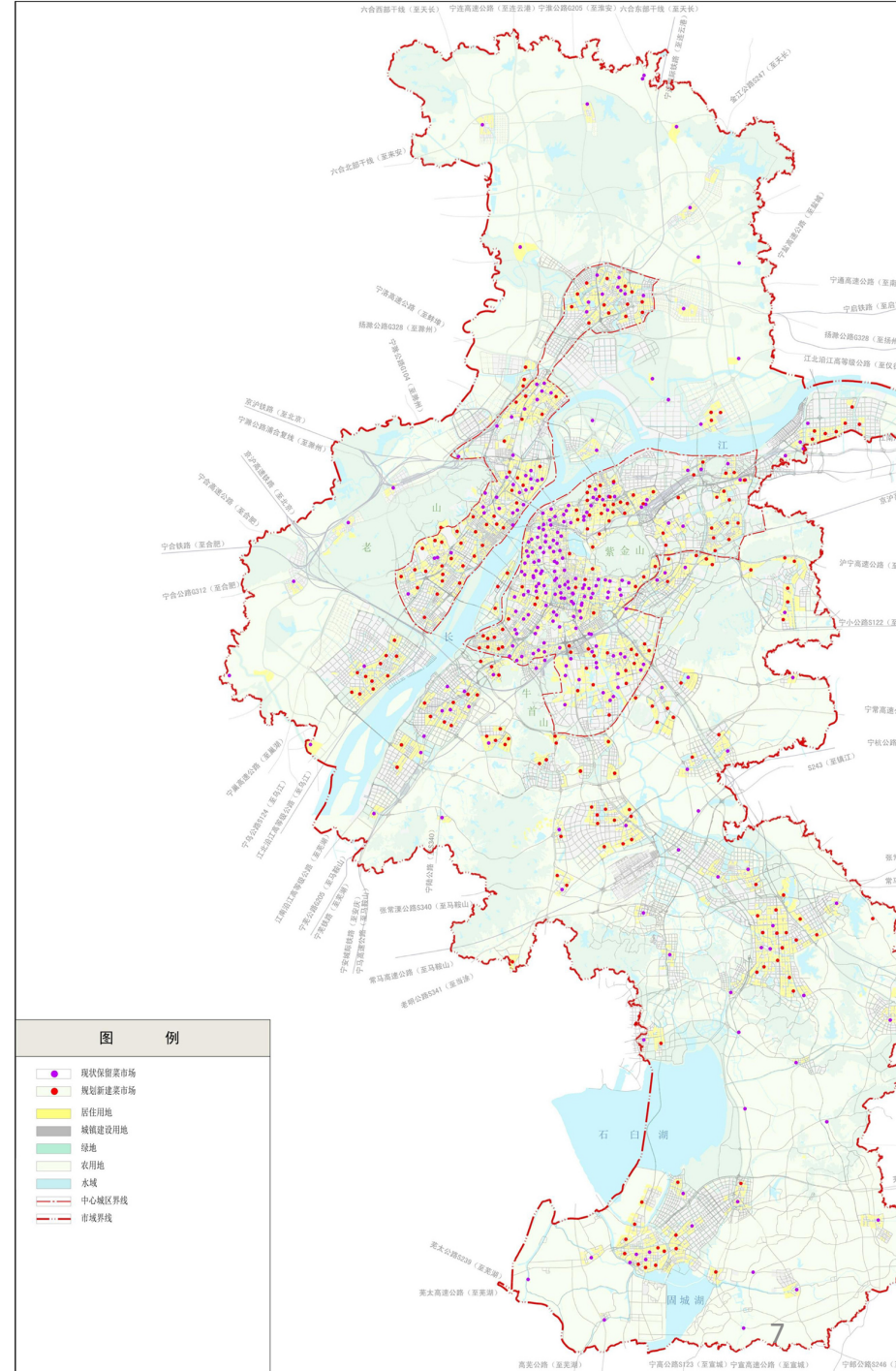
Wet markets

- 350 wet markets in 2017



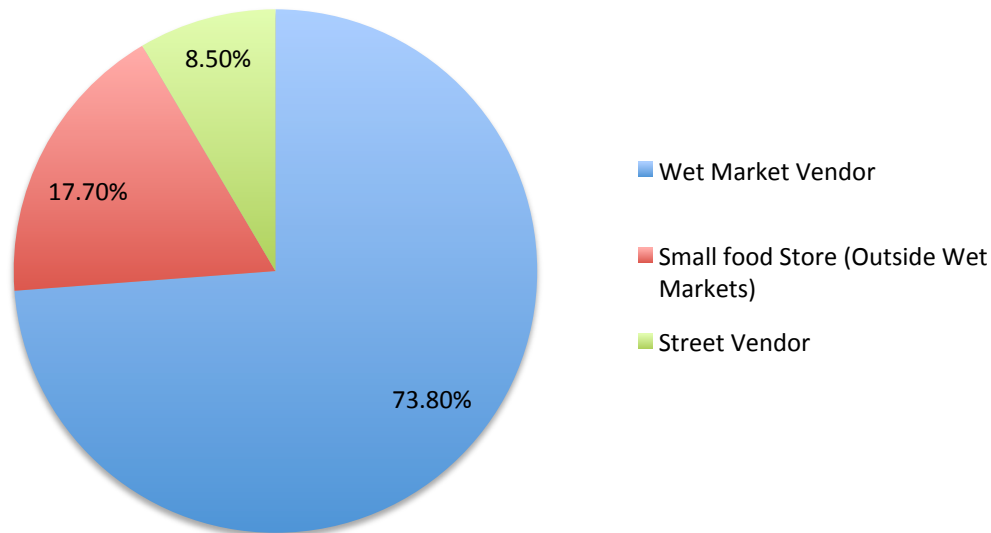
Wet markets

- 527 wet markets in 2030 (Nanjing Commercial Network Planning 2015-2030)

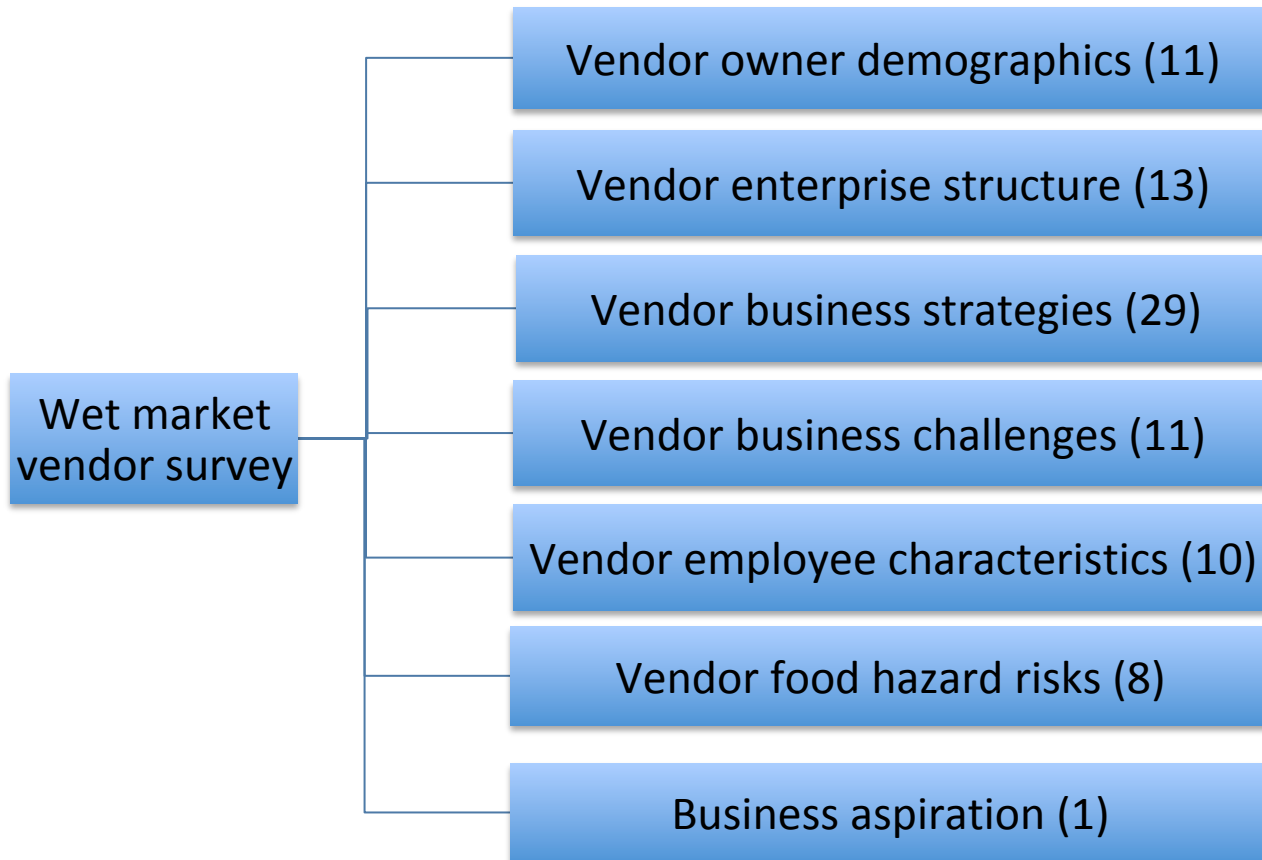


Survey of small food vendors

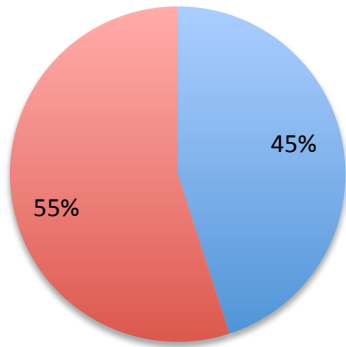
- Random sampling of 864 vendors across 42 wet markets and their surrounding areas in all the 11 districts.



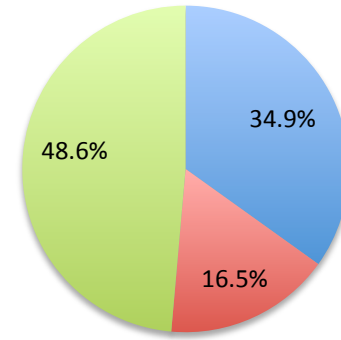
Wet market and small food vendors survey questionnaire



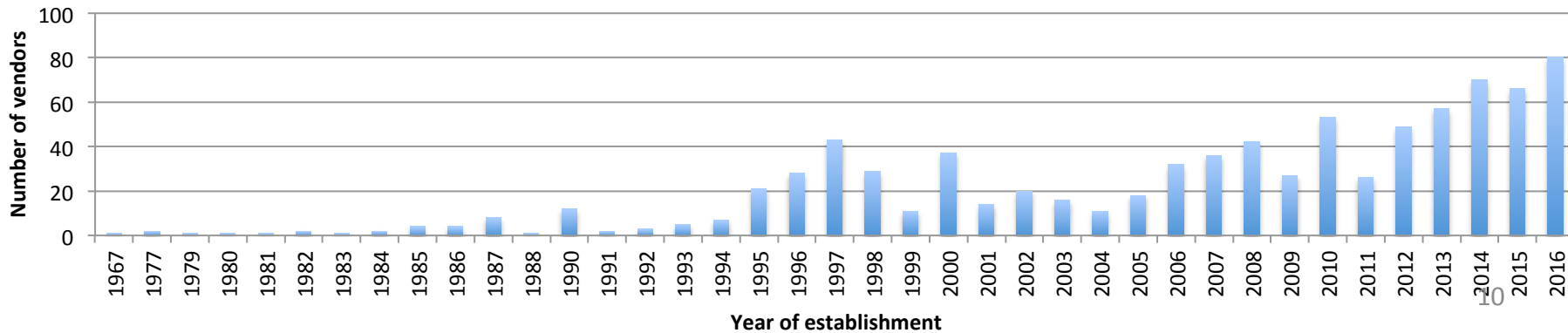
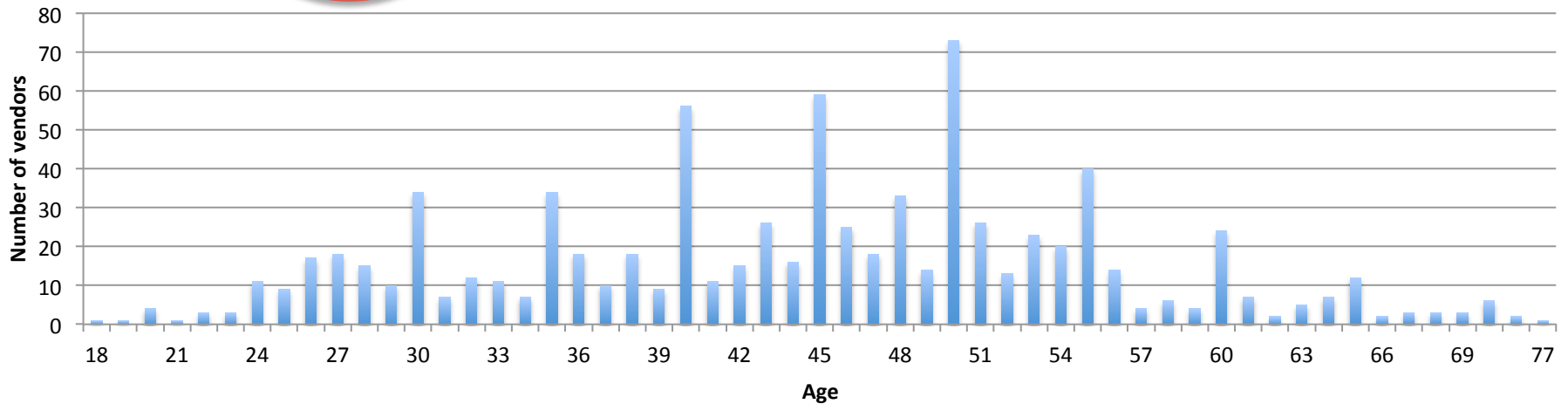
Who are these vendors?



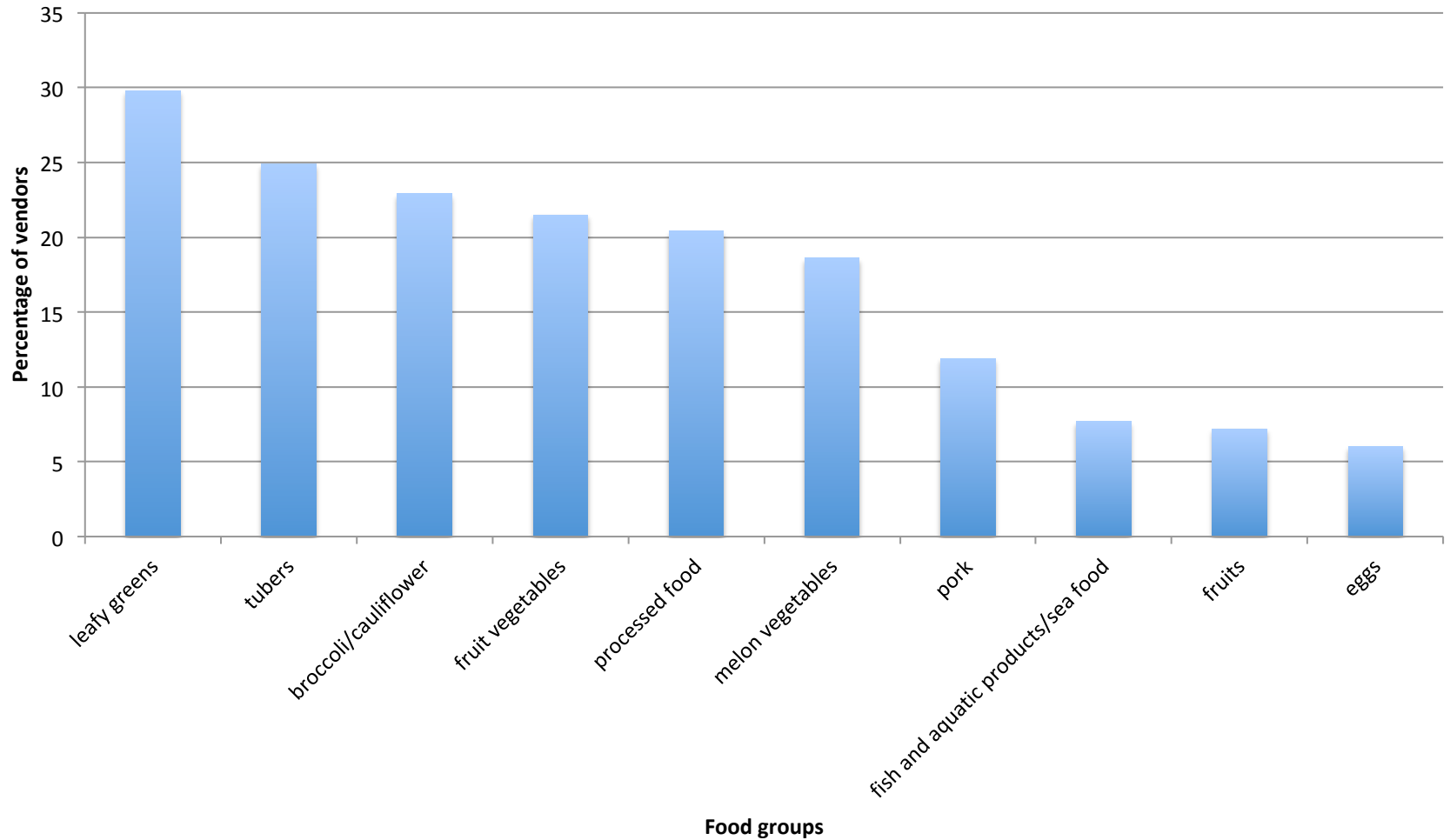
Male
Female



This city
Another city in this country
A rural area in this country



Food items being sold

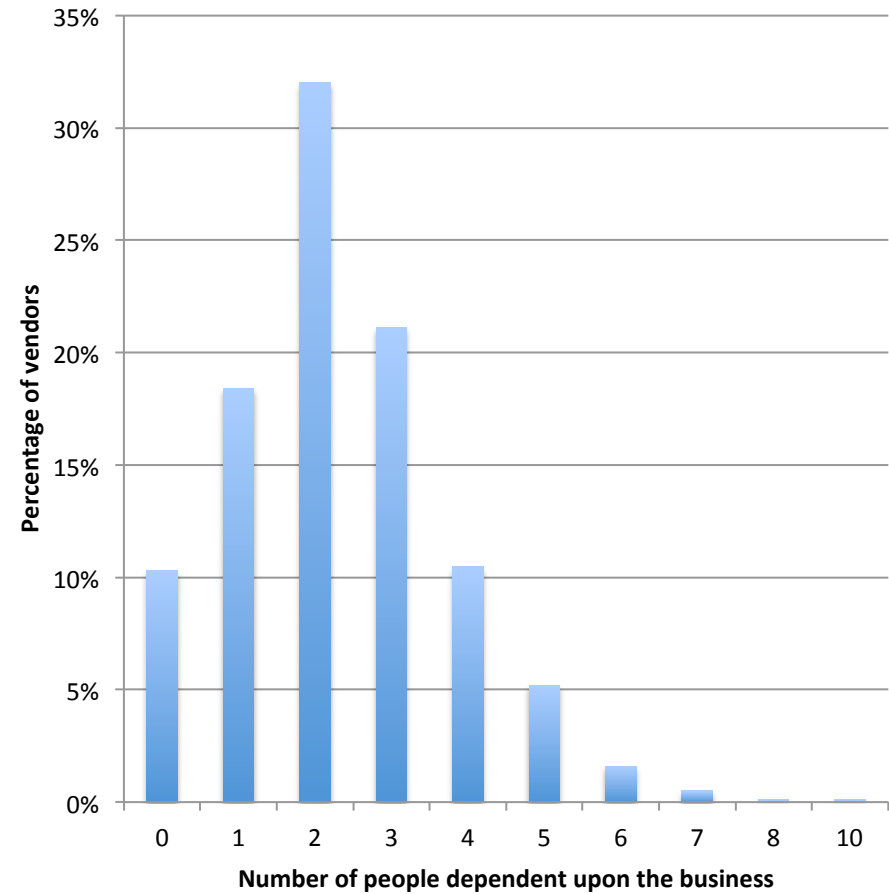


Motivations to start the business

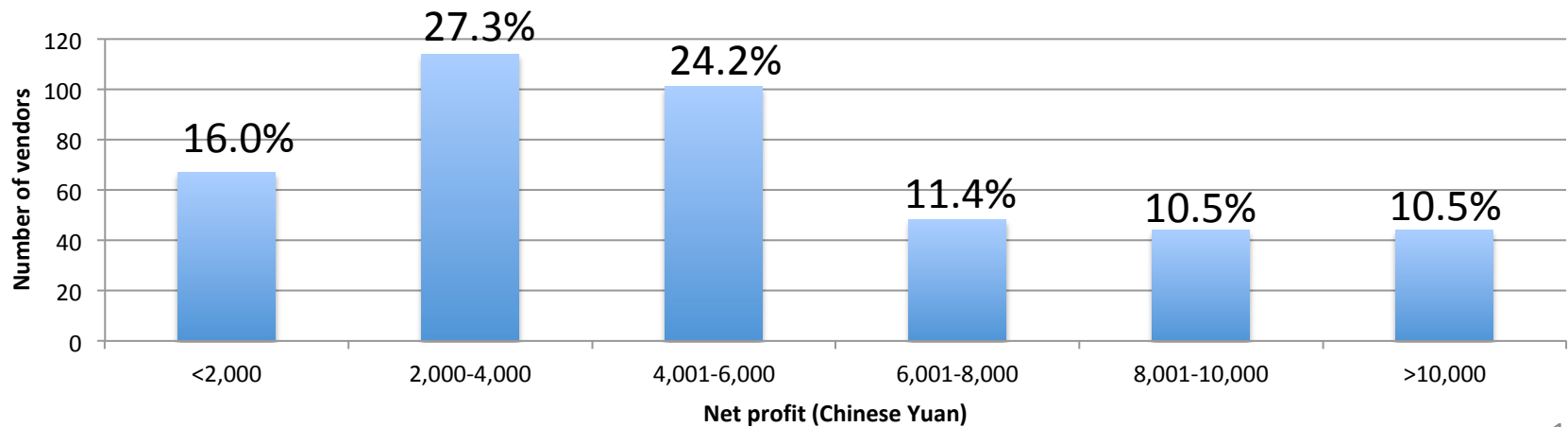
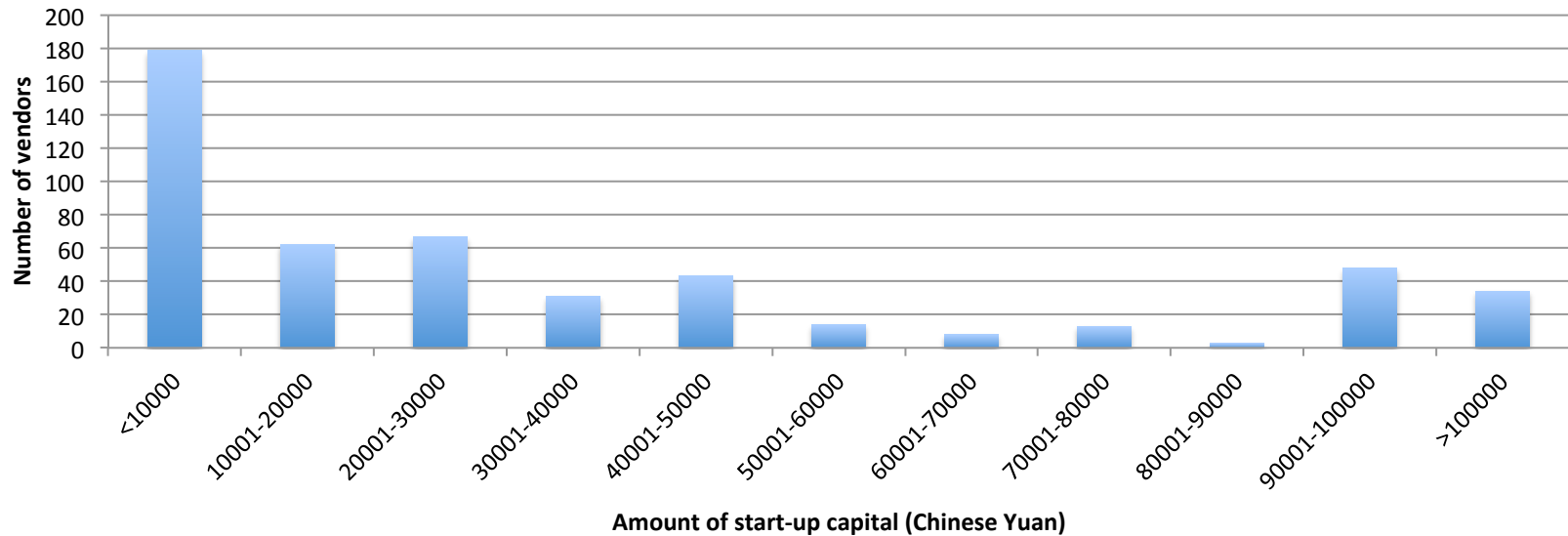
Factors influencing start of the business	Score (importance 1-5)
I needed more money just to survive.	3.9
I wanted to give my family greater financial security.	3.8
I wanted more control over my own time/I wanted to be my own boss.	3.1
I have always wanted to run my own business.	2.9
I have the right personality to run my own business.	2.8
I had a job but it did not pay enough.	2.6
I wanted to make more money to send to my family in my home area.	2.5
I was unemployed and unable to find a job.	2.4
I wanted to provide a service/product to consumers in my neighborhood.	2.4
I wanted to provide employment for members of my family.	2.3

Dependence upon the business

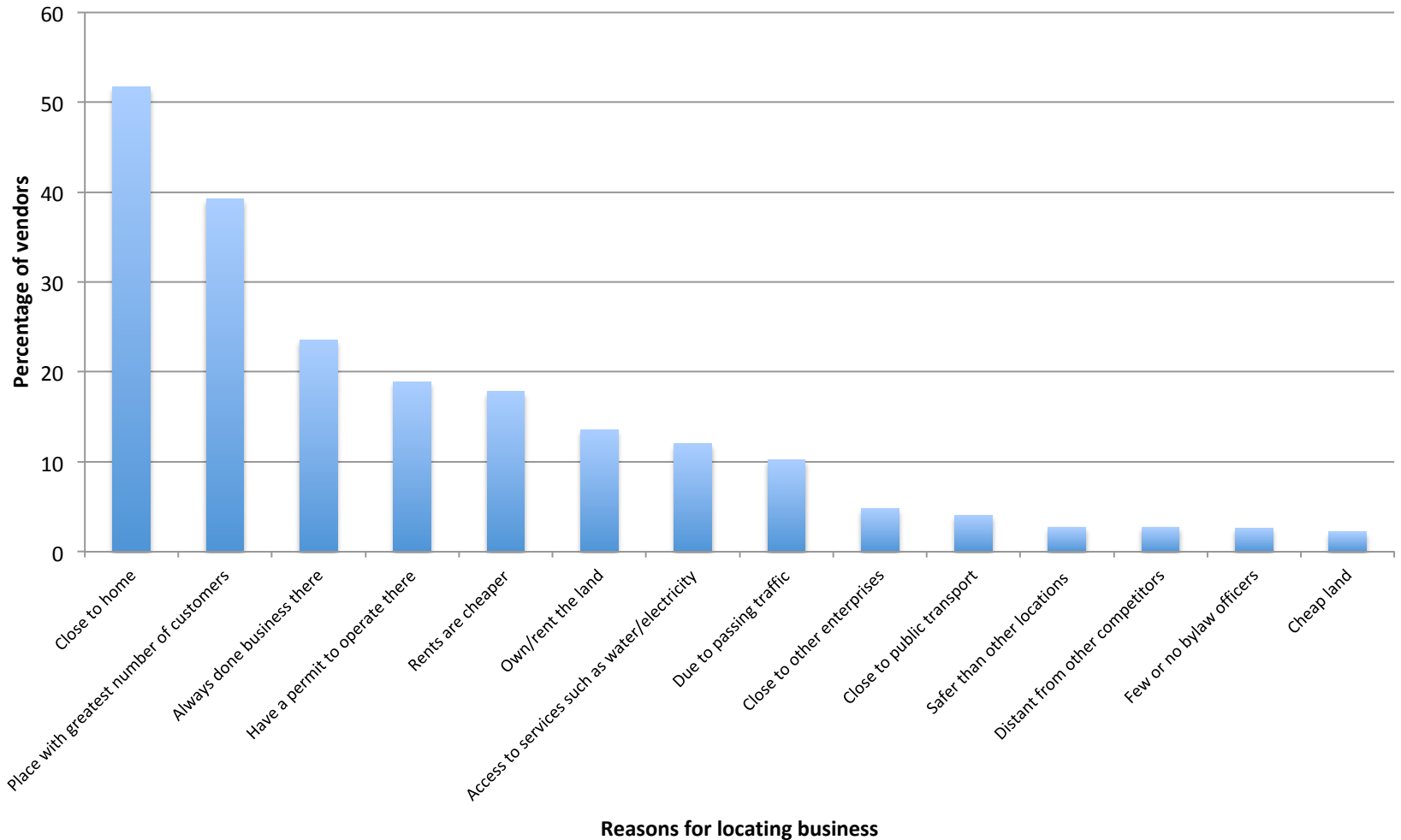
- Sole income source for 63.7% of vendors
- 85.9% of vendors earned more than half of their household income from running the business



Start-up capital and net profit



Reasons for locating the business



Business strategies

Business strategies	Frequency	Valid Percent (%)
I purchase stock in bulk myself	350	42.6
I extend my hours of operation	306	37.3
I negotiate prices with my suppliers	296	36.1
I use mobile phones to receive payments from customers	281	34.2
I offer credit for customers	172	21
I use mobile phones to take orders from customers	165	20.1
I keep records of my business accounts	146	17.8
I open my business only during the periods of the day when I have the most customers	123	15
I change what I sell at different times of the year	112	13.6
I change different prices for different customers	86	10.5
I use mobile phones to coordinate with suppliers/other vendors	78	9.5
I sell goods more cheaply than my competitors	62	7.6
I look for cheapest prices for goods by calling suppliers	57	6.9
I look for the cheapest prices for goods by asking other entrepreneurs	42	5.1
I purchase stock in bulk together with others	41	5
Other (specify)	26	3.2
I look for the cheapest prices for goods by consulting the media	15	1.8
I sleep on my business premises	6	0.7
I partner with other businesses to distribute risks	4	0.5
I engage in shareholding	3	0.4
I purchase insurance	3	0.4
I pay the police for protection	1	0.1
I pay for security guards	1	0.1

Business challenges

Problems	Often		Sometimes		Never	
	Frequency	Percentage	Frequency	Percentage	Frequency	Percentage
Too many competitors around here.	329	41.9	325	41.3	132	16.8
Insufficient sales.	184	23.2	532	67	78	9.8
Too few customers.	176	22.1	543	68.1	78	9.8
Competition from supermarkets/ large stores.	136	17.9	278	36.6	346	45.5
Suppliers charge too much.	93	12	468	60.2	217	27.9
No refrigeration.	46	5.8	53	6.7	692	87.5

Conclusions

- Wet markets is the major food source in Nanjing, particularly in fresh produce and meat retailing. The government has been supporting the expansion of wet markets with planning and other regulatory instruments.
- Wet markets and other small food retailing outlets provide important employment opportunities and livelihood strategies to rural-urban migrants and middle-aged entrepreneurs.
- Start-up capital mostly come from personal savings or borrowed from relatives. The income roughly equals to the average income of urban residents in Nanjing.
- Various business strategies are adopted and competition with other vendors is the major challenge.



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