

Common services activities, technological intervention, environmental interventions and access to premium market requirement for the Food Service (Street & Restaurant Food)

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Executive Summary

Street food is an informal method of providing low-cost food to city dwellers on a limited budget. The wide range of cuisines sold by street food vendors piques the curiosity of people from all walks of life in Bangladesh. From fresh fruits to traditional dishes, fast food to Mexican cuisine, ice cream to sweets, many types of cuisines are currently being sold in various locations throughout the city. Furthermore, as people's eating habits change and their interest in trying diverse cuisines from different countries rises, this sector has a huge possibility to grow. Due to their occupations, businesses, and rapid movement from one location to another, individuals of all classes will become increasingly reliant on street snacks in the near future. So now is the time to improve the quality of street foods, maintain hygiene, and ensure branding, while also emphasizing environmentally friendly packaging, the use of safe raw food/materials, and developing various strategies to gain access to the premium market and sustain revenue for small-business owners in Bangladesh.

Objectives

The objectives of the project was to find out environmental and technological aspects for food processing, storage, handling foods, current practices of food production, standards for health safety and personal hygiene, revenue and non-revenue generating physical and common practices, branding strategies, and possible ways to access to premium market of street food vendors in Bangladesh.

Methods

Exploratory study was conducted in four divisions/districts in Bangladesh using both quantitative and qualitative methods among street vendors and street restaurants. To collect representative samples from the study areas, around 800 (street food vendors 400, street restaurants 400) survey interviews were conducted. Beside this, 16 IDI, 16 KII and 8 FGDs were conducted to explore in-depth understanding and success stories from the entrepreneurs. Inferential statistical methods were used to analyze the data. Thematic analysis was used for qualitative analysis.

Key Findings

Hotspot areas of street food business

- High mobility commercial, public hub like shopping and/or office complex, bus/train station, tourist areas, educational institutions found very commercially viable hotspot for street food vendors in Bangladesh.
- According to the customer diversity, it was found that office staffs, young adults, and students visited street restaurants more frequently and students, children & adolescents likes the street food very much.

Dynamics of street food business

- Majority of the street food sellers were aged 30-34 years of age (34.5%), male (93.7%), married (94.9%). However, street food sellers in Dhaka found more educated in secondary level (43-49%) compared to Rajshahi, Bogra, and Rangpur had no formal education (35-43%). The family members found relatively smaller among street food sellers in Dhaka and Rajshahi (≤ 4 person, 55%) compared to Bogra and Rangpur (5-6 person, 50%)
- Majority of the street food sellers were single earning member (71.3%), monthly earning (47.9%) and expenditure (52.3%) was 20k-35k taka. According to area wise comparison, street food sellers in Rangpur had lower income and expenditure than Dhaka, Rajshahi, and Bogra. It was also found that MEs in Borga (57.5%) and Rangpur (69.4%) mentioned to have no family savings by doing street food business.
- The majority of the street restaurant sold deshi foods (44.2%), and snacks (37.4%). On the other hand, street food vendors sold snacks (76.6%), and fast food (7.4%).
- According to profitability, around 47% of street restaurants and 25% of street food vendors had no profit after net profit analysis. However according to net profit analysis, 25% street restaurant earned $<10\%$ profit and 33% of street food vendors earned 10-24% of profit.

Health safety & personal hygiene

- This study found very poor practices of personal hygiene and health safety measures among street food sellers
- Around 75% of street food sellers did not use head cover, more than 80% did not use any hand gloves while preparing food, about 85% did not wear clean apron, 68% food sellers did not wash hands with soap after toilet, and more than 67% of street food sellers did not keep their fingernails short.
- About 78% of street food sellers used testing salts, 41% used different types of colour reagents and flavours, 56-68% of street food sellers used oil repeatedly until finished, and water used during food preparation found unsafe which indicates potential health hazard of consumers especially for children and adolescents.

Environmental intervention

- Eco-friendly packaging like food grade aluminium foil, wrapping paper, paper, and board etc., common waste management, water supply, gender specific toilet, clean & hygienic common spaces could be effective environmental intervention for street food business.

Technological advancement

- Proper value-chain maintained from local level farmer, food producer and importers to street food sellers through area wise warehouse and local storage facility could decrease food production cost.
- Different kinds of mobile apps and software like POS system, inventory management, site management system, website, etc., providing modern machineries, tools, and utensils could enhance the efficiency and productivity of street food sellers in Bangladesh.

Revenue generating activities

- Establishing training centers, common cold storage facilities, food testing lab in each division level through third party organizations/companies could be revenue generating physical activities.

- Common apps based food delivery services, common online e-commerce, digital marketing, branding, common space on a area basis through third party service provider could be revenue boosting for street food sellers in Bangladesh.

Non-revenue generating initiatives

- Modern decoration of food cart, ensure electricity, decorative furniture, air conditioning system, credit/loan facility, association/union found non-revenue generating activities.

Capacity development

- Hands on, practical and on job training on personal hygiene, food safety, environmental safety, food handling and storage, street food business standard operating procedure (SOP) could arrange in every division level quarterly each year.

Certification for access to the premium market

- None of street food vendor and 76% of street restaurant did not have any business license. Around 70% did not know about the requirement of business license and never feel compelled to have any license.
- Government could initiate strategies for providing license to the street food sellers.

Street food branding

- One stop business solution (OSBS) through third party could be an effective way of business initiation to branding and marketing street food business.

