

Policy and Governance Models of Street Vendor Economy under the Impact of COVID-19 Pandemic

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Abstract

The hawker economy is an important part of the urban economy and is important for promoting employment, increasing urban vitality and meeting the needs of the population. However, in the absence of formal business registration and compliance, the hawker economy often faces legal, health and safety challenges. This study examines COVID-19 impact on hawker economy and the policy shifts and governance models under the impact of COVID-19. Through case studies of several countries, this paper analyses international experiences in formalising the street vendor economy and draws corresponding insights. The findings show that flexible policy adjustments and positive government guidance are key to the success of planning the street vendor economy.

Keywords: Street Vendor Formalization, COVID-19 impact, developing countries, policy shifts

1. Introduction

1.1 Research Background

Street vendor economy is an economic form that has a long history and a wide influence in China and other developing countries. The main business categories include morning and night markets based on snacks and food, self-produced and self-sold agricultural products and various daily necessities. The main participants are mobile vendors and street shops. Indeed, with the encouragement and support of China's policies, the street vendor economy has developed rapidly and become an important force in promoting employment and economic growth. In this dynamic economic form, countless entrepreneurs have realized their dreams through street vendor business, adding a unique charm to the city. The street vendor economy has a long history in China, with its roots going back to the Northern Song Dynasty. The various vendors in the riverside map during the Qingming Festival reflect the prosperity of the market and commercial activities at that time. Nowadays, the street vendor economy still enjoys high popularity. The informal economy plays a positive role for both vendors and consumers. With its low threshold and strong flexibility, street vendor economy has become a choice for many people to start their own business and make a living. In the process, the street vendor economy has injected vitality into the recovery of the economy, while also providing consumers with more diversified choices. However, with the rapid development of street vendor economy, it also faces a series of challenges, such as environmental pollution, standardized management, safety and so on. In view of many problems, national and local governments and relevant stakeholders are making contributions to ensure the healthy development of street vendor economy. However, there is a lack of systematic and comprehensive research on the street vendor economy, especially under the COVID-19 situation. Therefore, this study aims to explore the policy changes and governance models of street vendor economy in developing countries under the impact of COVID-19.

1.2 Literature Review

1.2.1 Previous Research on Street Vendor Economies in Developing Countries

Since the outbreak of the epidemic in late 2019, there has been relatively limited research information on the governance of stalls in the aftermath of the epidemic. On the China Knowledge Network (CNKI), there were

about 720 academic journals related to the stall economy published in 2020, covering a wide range of aspects such as the design of stall products, analysis of the economic principles behind the stall economy, and domestic and foreign approaches to stall governance. When analyzing the governance methods, there are 66 articles analyzing a particular city in China as an example, while there are relatively few analyses involving foreign countries.

Huang's (2022) study puts forward a series of recommendations by comparatively analyzing the governance models of ground stalls in Japan, the United States and Europe. He argues that it should help regulate development, improve urban governance in a coordinated manner, strengthen assistance and support, guide the orderly growth of the ground-floor stall economy, highlight urban culture, and build the characteristics of ground-floor stall economic development. These suggestions provide useful references for the development of the ground stall economy after the epidemic.

Chen and Wang (2023), on the other hand, analyzed four cities, Tokyo, New York, London and Chengdu, respectively, and gave suggestions for the future development of the ground stall economy after comparative analysis. They proposed that the management mode of ground floor economy should be actively innovated to mobilize the market to participate in the development of ground floor economy. At the same time, the standardized management of ground stalls should be put on a new agenda by means of legal system and morality, and the hygiene and safety management of ground stalls should be strengthened in an all-round way and from various angles to improve the overall quality of ground stall economy. These suggestions are of great guiding significance for the development of the ground stall economy after the epidemic.

In addition, Ye (2024) analyzes the governance models of ground floor stalls in Japan and India, and argues that the ground floor stall economy should be taken into account in urban planning, the management of grading and classification should be strengthened, a registration and filing management system should be set up for food vendors and consumers who set up stalls, and the main responsibility for food safety should be implemented. This proposal provides new ideas for the standardization and management of the stall economy.

1.2.2 Studies on the Impact of COVID-19 or Crises on Informal Economies

The informal economy, comprising activities that have market value and would add to tax revenue and GDP if they were recorded. According to the International Labour Organization, about 2 billion workers, or 60 percent of the world's employed population ages 15 and older, spend at least part of their time in the informal sector.

Within the Chinese academic community, the majority of research interest in the informal economy is centered on the street market economy. This emphasis not only arises from the significant role of the street market economy in China's society and market economy but also reflects its research value as a quintessential example of informal economic activities. In contrast, international research on the informal economy is more diverse and comprehensive, encompassing a broad range of sectors, from street vendors to family workshops, from online freelancers to gray market transactions.

Almeida and Galasso (2020) analyzed the impact of COVID-19 on informal economy workers from a gender perspective, emphasizing the vulnerability and challenges faced by women in the informal economy. Rodriguez-Planas and Sanchez-Puerta (2020) reviewed the evidence on the impact of COVID-19 on the informal economy and the policy responses, highlighting the need for policy makers to pay attention to the needs and challenges of informal workers.

Webb, McQuaid and Rand (2020) examine the definitions of the informal economy and informal employment, explore the rationale behind participation in the informal economy, and reflect on some of the impacts of the pandemic on these workers. The COVID-19 pandemic may necessitate innovative solutions to enhance basic job security while simultaneously supporting business competitiveness. Government policies that promote job security, income stability, formalization of employment, and equity in informal employment are particularly crucial.

Manyati and Mutsau (2021) conducted 27 telephone interviews with agricultural machinery manufacturers in Barymagaba and Garza Home Industries, Harare, Zimbabwe. We explore the skills used by informal manufacturers in an uncertain business environment during the COVID-19 pandemic. They found that informal manufacturers slowed and narrowed the cycle by buying broken farm machinery for repair or by remaking durable machines for their low-income customer base.

1.3 Problem Statement and Objectives

This study examines the impact of COVID-19 on the hawker economy, as well as subsequent policy shifts and governance models. By analyzing case studies from several countries, this paper evaluates international

experiences in formalizing the street vendor economy and offers corresponding insights.

Demonstrating the importance of flexible policy adjustments and proactive government guidance for the successful planning of the street vendor economy. The cases of China and Vietnam show that adaptive and innovative policies during and after the pandemic can effectively promote the livelihoods of vendors and urban vitality.

Highlighting the significance of the hawker economy in promoting employment, enhancing urban vitality, and meeting population needs, and revealing the legal, health, and safety challenges faced by the hawker economy in the absence of formal business registration and compliance.

Proposing directions for future research, such as how to develop suitable plans and management systems for street vending according to the characteristics and needs of different cities, how to balance the relationship between street vending and other urban functions and interests, how to learn from successful experiences and innovative models both domestically and internationally, how to use digital technology and community organization to improve the fine-grained and humanized governance level of street vending, and how to make street vending a feature and highlight of the city.

The limitations of this study include the possibility that the case analyses may not cover the diversity of the hawker economy across all countries and regions. Additionally, the policy recommendations made in the study may need to be adjusted according to the specific circumstances of different cities.

Future research should consider how to develop suitable plans and management systems for street vending according to the characteristics and needs of different cities, how to balance the relationship between street vending and other urban functions and interests, how to learn from successful experiences and innovative models both domestically and internationally, how to use digital technology and community organization to improve the fine-grained and humanized governance level of street vending, and how to make street vending a feature and highlight of the city.

2. The Transformation of the Street Vendor Economy

2.1 Analysis of How the Street Vendor Economy has been Affected by the COVID-19

Around 2 billion people work informally, most of them in emerging and developing countries. (ILO)The vendor economy, with its flexible, low-cost and low-threshold characteristics, can effectively alleviate the pressure on employment, meet the consumption needs of low-income earners and enhance economic vitality. However, the spread of COVID-19 has had a great impact on the international economies, and the vendor economy has also been affected to varying degrees.

During the COVID-19, in order to prevent crowd gathering and cross-infection, governments around the world adopted strict preventive and control measures, such as blocking cities, restricting travelling, and closing down public places, resulting in severe restrictions on the space and time of operation of the ground street vendor economy, and even forced to shut down. The number of active business owners in the United States plummeted by 3.3 million or 22 percent over the crucial two-month window from February to April 2020.(Robert W. Fairlie,2020)

In India, with a share of almost 90 per cent of people working in the informal economy, about 400 million workers in the informal economy are at risk of falling deeper into poverty during the crisis.(ILO)

Secondly, during the COVID-19, as people's consumption psychology and consumption habits changed, the structure of the street vendor economy also changed. On the one hand, people's consumption psychology has become more cautious and rational, with a lower willingness to consume non-essential and luxury goods and an increased willingness to consume to safeguard the quality of life and health. On the other hand, people's consumption habits are more inclined to online consumption, using e-commerce platforms, social media, live broadcasting platforms, etc. for shopping, entertainment, learning, etc., which reduces the consumption demand for the street vendor economy.

2.2 Identification of Key Changes Or Adaptations Made by Street Vendors

In aligning with the evolving landscape of COVID-19 normalization, the informal sector, particularly the street vending economy, has been compelled to implement strategic modifications to navigate the crisis and pinpoint avenues for transformative advancement. This adaptation is manifest in four primary dimensions:

1. **Integration of Digital Platforms:** Street vending has witnessed a paradigm shift through the adoption of e-commerce and digital media platforms. Vendors are leveraging the reach of social networking and live

streaming services such as Instagram, TikTok, and YouTube to engage in online promotional activities, craft distinct brand identities, and foster a loyal customer following, thereby amplifying their market presence and influence. Concurrently, these entrepreneurs are harnessing e-commerce platforms to facilitate online order processing and delivery systems, thereby enhancing service efficiency, broadening service offerings, and expanding their consumer demographics.

2. **Compliance with Legal and Market Norms:** The informal sector has increasingly recognized the necessity of operating within legal frameworks and adhering to market regulations. Street vendors are now more inclined to comply with governmental directives, including registration, tax payment, and social security contributions, thereby bolstering their reputational capital and becoming eligible for governmental assistance and protection.

3. **Enhancement of Product Quality and Consumer Protection:** Street vendors are now placing a heightened emphasis on the integrity and safety of their products. This entails a stringent avoidance of counterfeit, expired, spoiled, or otherwise unsafe goods, a commitment to using raw materials and equipment of acceptable quality standards, and adherence to hygienic processing and packaging practices. These measures are aimed at safeguarding consumer rights, interests, and health, thereby fostering trust and reliability in the street vending sector.

4. **Improvement of Service Standards and Consumer Experience:** Vendors are increasingly eschewing deceptive practices, coercion, and harassment of consumers, and are working to minimize disputes and conflicts, as well as to ensure fair and reasonable pricing and return policies. The street vending sector is also exploring innovative operational models and diversifying product categories. For example, the Ali 1688 Ground Floor Stall Support Programme explores how to help normalise the development of the ground floor stall economy through the perspectives of digital economy theory and customer experience theory. (YUAN & HU, 2021).

2.3 Discussion of Challenges Faced by Street Vendors in the Current Context

Despite the positive changes or adjustments made to the street vendor economy in the context of the normalization of COVID-19 prevention and control, and the results and progress achieved, the ground economy still faces a number of challenges that need to be further addressed and improved.

First of all, the street vendor economy is faced with environmental hygiene problems and needs to be cleaned and sterilized more intensively. For example, a survey in Hohhot showed that street food vendors operate without licences and practitioners do not undergo medical check-ups for their jobs, leading to serious contamination of street food and threatening the health of consumers. (DI & WANG, 2022) Street vendors, operating mostly in open-air or semi-open-air conditions, often generate waste, sewage, and oily fumes, leading to pollution and environmental damage. This impacts city aesthetics, hygiene, and poses a threat to COVID-19 prevention.

Secondly, the street vendor economy faces urban management problems that require coordination and planning. As most of the business locations of the street vendor economy are public spaces such as streets, squares and parks, the scale of operation is small or micro, the form of operation is mobile or temporary, and the business activities are disorderly or chaotic, they are prone to conflicting with the planning and management of the city, affecting the order and safety of the city and posing challenges for urban management of the city.

Then, the street vendor economy is facing the problem of market competition and needs to be upgraded and innovated. Due to the low threshold, low cost and low profit of the street vendor economy, it has attracted a large number of practitioners, leading to oversupply in the market, fierce competition, declining profits and difficulties in survival. At the same time, as the products of the street vendor economy are mostly homogenized, low-end and low-priced, it is difficult to meet the diversified, high-end and high-value demands of consumers, form its own core competitiveness, and adapt to the changes and development of the market.

Lastly, the ground-floor economy is confronted with the challenge of policy support, which requires further enhancement and implementation. Although the State and society have offered certain support and encouragement to the ground-floor economy, including easing approval conditions, reducing tax and fee burdens, and providing training and guidance, there are still some shortcomings and obstacles in the formulation and execution of these policies. These include inconsistencies, vagueness, and instability in policies, as well as a lack of implementation, timeliness, and fairness. This has hindered the growth and effectiveness of the ground-floor economy.

3. Research Method

This study adopts the case study method, aiming at exploring in depth the governance strategies of the positively planned groundscraper economy. In selecting the case countries, we have given due consideration to their

respective development contexts and characteristics of the governance of the groundscraper economy. National Bureau of Statistics of China released an article on 2024.1.17, says "According to preliminary estimates, the gross domestic product (GDP) was 126,058.2 billion yuan in 2023, an increase of 5.2 percent over the previous year at constant prices. "According to CICC P&G, the market size of China's ground floor economy will be about 3.6 trillion yuan in 2023, accounting for 23.4 percent of GDP and a year-on-year growth of 8.7 percent. And the Chinese government has taken a series of policy measures in recent years to promote the formalization of the ground floor economy. For example, in 2020, the Chengdu Municipal Government issued the Measures for Urban Management in Chengdu City with Five Allowances and One Adherence to Coordinate Epidemic Prevention and Control to Help Economic Development, which aims to support the development of the street vendor economy, while ensuring that urban management is carried out in an orderly manner. (Chengdu Federation of Industry and Commerce,2020)

Vietnam was chosen as a case study because of its large population size. The Vietnam Statistical Office (VSO) has released population figures that by the end of 2023, Vietnam's population surpassed the 100 million mark reaching 100.3 million. In addition, it announced that in 2023, Vietnam's economic growth rate was 5.05%, with a gross domestic product (GDP) of \$430 billion. The service sector plays an important role in Vietnam's economy, with a growth rate of 6.82% in 2023, contributing 62.29%. These data show that the service sector occupies a significant share of the Vietnamese economy and continues to grow. Although these data do not directly reflect the specific share of the street vendor economy in the national economy, they show the importance of the service sector as a whole in the Vietnamese economy. As part of the service sector, the street vendor economy has played a positive role in the development of Vietnam's economy.

Both China and Vietnam are in the stage of rapid economic development, which makes the street vendor economy important in the socio-economy of both countries. Studying these two countries can reveal the characteristics and governance strategies of the street vendor economy at different levels of economic development. Analyzing the different policy measures adopted by China and Vietnam on the governance of the street vendor economy provides a rich case for comparative study. By analyzing these different policies, it is possible to explore which strategies are more effective and why. It also provides an in-depth understanding of the governance strategies and effectiveness of the street vendor economy at different stages of development and in different socio-economic contexts.

In terms of data sources, Thai, HMH, Dinh, PQ, and Nguyen, PT (2021): Discussed the resilience of street vendors in Hanoi, Vietnam, in response to the COVID-19 crisis in Volume 3: Public Space and Mobility. Turner, S., & Binh, N. N. (2021): Discussed the struggles of street vendors in maintaining a livelihood through the COVID-19 lockdown in Hanoi, Vietnam, in Volume 1: Community and Society. Nguyễn, D. L. (2022): Analyzed how street vendors on Hanoi's Walking Street negotiate their existence in Pacific Geographies, Issue 57. Foreign Investment Agency of the Ministry of Planning and Investment of Vietnam (2023): Reported that nearly 36.61 billion U.S. dollars of foreign investment will flow into Vietnam in 2023. These references provide valuable insights into the economic situation of street vendors in Vietnam during the pandemic and the strategies they employed to cope with the challenges. the news released by tencent.com on June 4, 2020, "More than 20 places across the country have introduced supportive policies, how magical are street stalls", in a timeline order, combed through the new initiatives of street stalls governance in different parts of China (Chengdu, Nanjing, Shaanxi, etc.), based on which, we went to the official website of each government to check the relevant regulations and news. These data are authoritative and accessible, which facilitates the research.

4. Case Studies

4.1 Vietnam

According to recent market reports and statistics released by the Vietnamese government, Vietnam's supplier economy, especially hawker activities, has an important contribution to gross domestic product (GDP) and employment. Vietnam's GDP growth rate in 2023 is 5.05%. Among them, the service industry grew by 6.82%, contributing 62.29%. This data reflects the importance of the services sector, including parts of the supplier economy, to Vietnam's economy. In order to solve the problems caused by disorderly development, the Vietnamese government's "Standardized Supplier Economic Development" project aims to promote orderly economic development by improving the quality of vendors and improving infrastructure. For example, data from the Foreign Investment Bureau of the Ministry of Planning and Investment of Vietnam show that registered foreign investment in Vietnam will reach US\$36.6 billion in 2023, with the processing and manufacturing industries attracting the most investment, at US\$23.5 billion. This demonstrates Vietnam's efforts in attracting foreign investment and improving its economic structure.

Before COVID-19, the Government of Vietnam did not abandon the governance of the street vendor economy, but continued to promote reforms to regulate, standardize and modernize. In the process of governance, the Vietnamese government took the following measures:

Developing business plans for street vendors: The government has developed a detailed business plan for street vendors. The government flexibly adjusts the areas and hours of operation of street vendors according to the changes in COVID-19 in order to ensure the safety and income of the vendors.

Provision of training and financial support: The government provided training programs for street vendors to improve their business skills and service standards. The government also provides some financial support to street vendors affected by the COVID-19 to help them tide over their difficulties.

Strengthening infrastructure: The government invested in the construction of new street vendor markets, improved existing market facilities, and upgraded the business environment for street vendors. The government also provides street vendors with epidemic prevention materials and strengthens epidemic prevention measures for street vendors.

Strengthening regulation and law enforcement: The Government has strengthened regulation and law enforcement of the street vendor economy, cracking down on illegal business activities to ensure the orderly development of the hawker economy. The government also penalizes street vendors who violate COVID-19 prevention regulations to maintain public health and order.

After the COVID-19 pandemic, the Vietnamese Government has continued to govern the street vendor economy to promote the recovery and development of the hawker economy. In the governance process, the Vietnamese government has implemented several measures:

Expanding the business scope of street vendors: As COVID-19 restrictions eased, the Government gradually relaxed the business areas and hours for street vendors, increasing their operational space and opportunities. For instance, in Hanoi, strict social distancing policies had previously displaced numerous poor street vendors from informal workplaces in public spaces and shut down hundreds of outdoor neighborhood markets and street-front businesses considered non-essential.

Encouraging innovation and diversification: The Government encourages street vendors to innovate their business models and products to enhance competitiveness and attractiveness. Additionally, the Government supports the development of diversified services such as takeaways, online sales, and cultural displays to broaden business channels and markets. Despite challenges during the COVID-19 crisis, street vendors in Hanoi employed various initiatives to generate income and provide affordable food and essential services, particularly to low-income families.

Establishing collaboration and mutual assistance mechanisms: The Government has established mechanisms for collaboration and mutual assistance among street vendors to foster exchange and cooperation. It also supports the formation of associations and organizations to protect the rights and interests of street vendors.

Enhancing social recognition and respect: The Government has worked to enhance social recognition and respect for street vendors, promoting the culture and characteristics of this group. It has also increased publicity and promotion of street vendors to improve their image and status.

These measures, based on the latest research and reports, demonstrate how the Vietnamese Government has supported the street vendor economy's recovery and development post-COVID-19.

First, the Vietnamese government did not give up on the governance of the vendor economy during the COVID-19, but continued to promote reforms to regulate, standardize and modernize. Second, in governing the vendor economy, the Vietnamese government focused not only on management and control, but also on services and support, providing assistance to street vendors in terms of training, funding and facilities. Thirdly, the Vietnamese government's governance of the street vendor economy after the COVID-19 has not only continued the practices adopted at the time of the COVID-19, but also made some innovations and adjustments, which reflects the Vietnamese government's adaptation and updating of the hawker economy, and also shows the flexibility and openness of the Vietnamese government.

The practices and changes in the Vietnamese hawker economy at the time of the COVID-19 and after the COVID-19 have provided us with some useful insights. First, the vendor economy is a resilient and dynamic form of economy that can survive and develop in crises such as the COVID-19, provide employment and income for many people, and offer convenience and services to the community, so we should face up to and respect the value and contribution of the vendor economy instead of ignoring and rejecting it. Secondly, the street vendor

economy is a form of economy that needs to be regulated and improved, and it also has some problems and drawbacks, such as safety, hygiene and order. Therefore, we should guide and support the reform and innovation of the hawker economy instead of indulging and conniving at it. Thirdly, the hawker economy is a form of economy that needs to be harmonized and integrated, and it has close links with and impacts on other forms of economy and social sectors.

4.2 China

The COVID-19 has had a complex impact on China's vendor economy. First of all, in the early days of the COVID-19, due to the implementation of lockdown and social distancing measures (Mu,2020), the street vendor economy was severely hit, and many street vendor operators could not operate normally, and their income dropped significantly. However, with the COVID-19 gradually under control, in order to stimulate the economy and promote employment, the government has introduced a series of policies to support the development of the vendor economy. These policies have contributed to the recovery and growth of the market economy, providing a source of livelihood for many people who have lost their jobs or lost their incomes. In addition, the COVID-19 has also promoted the innovation and diversification of the market economy, such as online sales, special markets and other new forms of business. Wang Wei, director of the Institute of Market Economics of the Development Research Center of the State Council, believes that "the epidemic has a greater short-term impact on the economy and consumption, but it also pushes the emergence and development of new businesses, new products and new models to accelerate".

Before the COVID-19, rigid intervention methods were usually adopted in urban management and construction. The market economy is often regarded as a factor affecting the image and order of the city(Guan&Jiang&Guo&Yu&Li,2013), so it has been strictly restricted and controlled in many cities. For example, many cities have clear regulations on the location, time and scale of vendors, and punish operators who violate the rules. Local governments usually make clear regulations on the location, time and scale of vendors, and punish operators who violate the rules.

Moreover, in the process of pursuing honorary titles such as "civilized city", local governments often adopt rigid intervention measures to treat the vendors in order to maintain the urban environment and order. This kind of management orientation leads to the limited development space of the market economy.

After the outbreak of the COVID-19, China's governance model of land vendors has changed significantly. The State Council issued a document in March 2020, proposing to "support multi-channel flexible employment, reasonably set up a booth supplier management model without fixed business places, and retain business outlets such as free markets and booth groups."In May 2020, the Central Civilization Office announced that it would not consider street occupations, street markets and mobile providers as criteria for evaluating civilized cities. Due to the severe impact of the COVID-19 on the economy, the government began to re-examine the role of the market economy and gradually changed the original governance strategy.

4.3 Reduce Booth Costs

The Municipal Market Supervision Bureau issued the "New eight" to support enterprises to resume work and production, and encouraged farmers' markets and commodity trading markets held by state-owned enterprises to waive vendor fees in the first three months after the local COVID-19 prevention and control, and encouraged other market organizers to waive vendor fees for floor operators (Shi, 2020).

4.4 Simplify the Approval Process

In 2020, the Chinese government began implementing a series of policies to support the market economy, including simplifying the approval process. These policies are designed to encourage more people to engage in the market economy, thereby boosting employment and economic development.

The General Office of the State Council of China issued the Notice on Further Streamlining Approval and Optimization Services to Accurately and Prudently Promote the Resumption of Work and Production of Enterprises, aiming to deepen the reform of "decentralization and management services", cancel unreasonable approval, standardize approval items and behaviors, and provide convenient services to promote the resumption of work and production of enterprises accurately and prudently. People's Government of Shi County 2021 released the work of the City Council to develop the ground stall economy and night-time economy, to simplify the approval process for ground stalls, to simplify the approval of some enterprises and stores to carry out promotional activities of occupied goods, and to complete the site inspection and approval procedures on the same day for the approval of occupied stalls and promotions. (Shicheng County People's Government, 2021).

Encourage innovative business models:

With the loosening of policies, the forms and formats of the market economy have become more diversified. For example, the development of "street vendors", "flea market", "trunk market" and "Internet celebrity market" and other new forms of vendors. These innovative business models not only enrich the market, but also attract more consumers' attention. On June 9, 2022, Xi'an Municipal Bureau of Commerce issued the "Implementation & It is mentioned in the Implementation Rules that outdoor activities such as car fairs, cultural and creative fairs, cultural performances and sports competitions should be encouraged to be held, and the transformation of traditional commodity trading markets with relatively closed environment and a certain distance from residents' living areas should be supported. (Xi'an Municipal Bureau of Commerce, 2022). Temporary outdoor catering and shopping places should be set up to meet the nighttime consumption needs of citizens. Enhance the vitality of the nighttime economy.

4.5 Cooperate with E-Commerce Platform for Sales

Major e-commerce platforms have launched various support plans for the vendor economy, in order to better help the rapid recovery of the vendor economy, let the vendor economy flourish again, so as to solve the employment and income problems of more people.

Alibaba announced a plan to support the street vendor economy on May 29, 2020. The "street vendor wholesale zone" will be launched on the 1688 website, providing interest-free credit purchases of more than 70 billion yuan. Through the four dimensions of good source goods, data intelligence, financial support and customer protection, it will provide comprehensive purchase and operation support for more than 30 million "vendor owners" (Sohu, 2020).

On June 2, Wechat Pay released the "National Small Shop Fireworks Plan" for more than 50 million small and micro businesses on the platform, and output four new digital policies in terms of online and offline integration, welfare subsidies, business education guides, and business security support to help small and micro businesses (The paper, 2020).

Jingdong issued the "Spark" street vendor economy support plan, starting from three aspects of guaranteeing supply, helping operation and promoting employment, organizing more than 50 billion quality goods, providing interest-free credit purchase of up to 100,000 yuan for each small shop, and fully supporting the economy of street vendors and small shops (The paper, 2020).

In terms of the supply chain, vendor owners no longer need to go to the small commodity market to buy goods, as long as they place orders on Alibaba, Jingdong, Suning and other platforms, they will soon receive the goods you want to sell at the vendor.

After the COVID-19, the Chinese government's attitude and mode of governance towards street vendors have changed significantly.

The government changed the practice of blindly carrying out regulation and began to encourage and support the development of the market economy. By simplifying the approval process, reducing booth costs and other measures, it provides more development space and opportunities for the vendor economy.

Secondly, the diversified development of the market economy, such as street vendors, fluorescent market and other new forms of business, for unemployed people or income reduction to provide entrepreneurship and employment opportunities, help improve their income level and quality of life.

Lastly, the recovery and development of the market economy will help stimulate consumption, increase the vitality and diversity of the market, and meet the needs of different consumer groups.

The introduction and deepening of flexible management policies has opened up a new journey for the vendor economy towards openness and prosperity. From the perspective of people's livelihood and employment, the government adopts the "combination of management and regulation" for the vendor economy, which deals with people's livelihood issues and maintains the city image at the same time.

5. Promoting Formalization

This study aims to explore the impact of COVID-19 on the hawker economy and the subsequent policy shifts and governance models. Through the analysis of case studies from several countries, this paper assesses the international experiences in formalizing the street vendor economy and offers corresponding insights.

Street vending is a widespread urban phenomenon that provides employment opportunities and livelihoods for many people. However, street vending also faces many challenges, such as unstable operating environment, opaque regulatory system, lack of infrastructure and rights protection. To promote the formalization and development of street vending, the government and street vendors need to work together and take the following

measures:

1. Implement legal reforms. The government should recognize street vending as a legitimate livelihood and provide basic living security for street vendors, such as fiscal subsidies, tax incentives and entrepreneurial support. This reform can draw on the successful experiences of some countries, such as India's Street Vendors Act, which provides legal operating rights and social security for street vendors.
2. Enhance regulatory transparency and legitimacy. The government should establish and improve the regulatory system for street vending, clarify the operating scope, time and rules, and ensure the orderly conduct of street vending. At the same time, the government should abide by due process, avoid taking exclusionary measures against street vendors, such as eviction, relocation and harassment, which bring heavy economic burden to them.
3. Encourage participatory methods and surveys. The government should have a deep understanding of the actual situation and daily challenges of street vending, and provide a strong basis for policy making. The government can adopt participatory methods, invite street vendors to participate in the design and implementation of policies, and fully listen to their opinions and suggestions.
4. Support the organization and platform of street vendors. Street vendors should form associations and platforms to jointly cope with challenges and decision-making. The organization and platform of street vendors can provide them with information, training, consultation and rights protection services, and enhance their operating capacity and rights awareness. Meanwhile, the organization and platform of street vendors can also engage in cross-sectoral dialogue with the government and other workers' groups, and jointly promote the formulation and implementation of inclusive policies.
5. Strengthen infrastructure construction and maintenance. The government should increase the investment in infrastructure for street vending, improve the facility level of street markets, and ensure operating safety. The government should provide necessary public services for street vendors, such as water, electricity, sanitation, parking, etc., and improve the operating environment. Street vendors should actively protect and maintain the infrastructure, and avoid damage and waste.
6. Improve service quality and product quality. Street vendors should improve their own quality, abide by relevant laws and regulations, respect the rights and needs of consumers, and improve service quality and product quality. Street vendors should pay attention to product innovation and differentiation, and enhance market competitiveness and attractiveness. The government should strengthen the supervision of street vending, crack down on illegal business activities, and maintain market order.

In summary, street vending is an urban phenomenon with important social and economic value, which provides employment opportunities and livelihoods for many people. However, street vending also faces many challenges, such as unstable operating environment, opaque regulatory system, lack of infrastructure and rights protection. To promote the formalization and development of street vending, the government and street vendors need to work together and take the above measures. By solving the existing challenges, street vending is expected to achieve healthy and sustainable development.

This paper contributes to the existing literature by highlighting the importance of the hawker economy in promoting employment, enhancing urban vitality, and meeting population needs. It also reveals the legal, health, and safety challenges faced by the hawker economy in the absence of formal business registration and compliance.

The limitations of this study include the possibility that the case analyses may not cover the diversity of the hawker economy across all countries and regions. Additionally, the policy recommendations made in the study may need to be adjusted according to the specific circumstances of different cities. Future research should consider how to develop suitable plans and management systems for street vending according to the characteristics and needs of different cities, how to balance the relationship between street vending and other urban functions and interests, how to learn from successful experiences and innovative models both domestically and internationally, how to use digital technology and community organization to improve the fine-grained and humanized governance level of street vending, and how to make street vending a feature and highlight of the city.

Informed consent

Obtained.

Ethics approval

The Publication Ethics Committee of the Canadian Center of Science and Education.

The journal and publisher adhere to the Core Practices established by the Committee on Publication Ethics (COPE).

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Data availability statement

The data that support the findings of this study are available on request from the corresponding author. The data are not publicly available due to privacy or ethical restrictions.

Data sharing statement

No additional data are available.

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