

The Role of Home-based Micro-enterprise in Community Building.

Base on the Observation in Public Housing Area in Metro Manila



Haiqi Ba

1 Introduction

It is now widely agreed that commercial facilities should be introduced to a housing area as an infrastructure. They are designed in different type to be fit in different levels of the residential areas. Usually, larger commercial facilities such as supermarket, hypermarket and department stores are small in number and serve a larger area of residential region which is around 40 minute walking distance from the mall. These are places where families will go once a week for food and commodities. Meanwhile, local shops and street shops in the community usually serve a much smaller area which is within 10-15 mins walking distance to the shop. There shops are usually small restaurants, convenient stores, hair salons and gas stations where people will go whenever they need it. Besides these formal forms of commercial facilities, there are large amount of informal small home-based shops and hawkers especially in low-income communities.

During my study trip to low-income public housing in Metro Manila, the Philippines in the spring of 2016. I notice that the kind of small home-based convenient store called sari-sari store is extremely common in public housing area. They are seen on main streets, alleys between row houses, empty spaces between medium-rise housing buildings and even in the corridors in the medium-rise buildings.

Their emergence in low-income housing areas has historical and cultural reasons, but the most important reason is economy which had been reported in several research reports on sari-sari stores. It is also reported that these little stores work well as a complementary part of commercial in community. However, as an active place in the neighbourhood where people constantly drop by and buy things and sometimes stop to have a chat with the shop owner, it becomes a node in the community where things can happen. Thus, it maybe not simply work as a store, but somehow help to build the community in the sense of safety, the sense of belonging and norms.

In this article, I will try to illustrate how small home-based enterprise such as sari-sari store has a role in the community building of low-income housing area. And give suggestion on how to better combine and make use of this micro-enterprise in the design level on the goal of achieving a united safe community.

2 Literature Review

About sari-sari store in Philippine

General features

Home-based neighbourhood stores, locally known as sari-sari stores in the Philippines, are micro-economic enterprises located on the main street of communities or sometimes even every corner of the communities. They usually cover a small area attached to the shop owners' house around 6-10m², or are just a window of the housing unit facing the street.



History and cultural background

The word “sari-sari” in Philippine language means “of various kinds”. The sari-sari store there for is a store that offers items of various kinds. It can be seen

as a traditional version of convenience store in the Philippines. The appearance of these traditional stores dates back to the 1500's. (Leviste.E.N, 2008)

Store display and buying pattern

The sari-sari stores are not self-serve like those modern convenience shops. Be it a large shop or just a wall displaying all the inventory, there is always a counter at the entrances of the shop with metal bars in front. Candies, snacks, shampoos and cigarettes are often on display in the counter or hang on the bars while cooking oil, rice, salt and sugar are often stored in sacks or cans (Malapit.H.J, 2007) . In the process of buying, customers name or point the product they want through the window bars. The shop owner sitting behind the window gets the product, pass it out between the window bars and at the same time receives the money with another hand. Although the whole process is completed through the window, there are usually tables, chairs and shading facilities outside where customers to have a short break and chat with each other.

Research on sari-sari store about its economic value to the low-income community in the Philippines

CARD conducted a survey in 2007 to general knowledge of the market players in the sari-sari store business, the scale, profitability and trend of sari-sari store business, the existing terms and rates given to the sari-sari store owners by the manufacturers and the perceived needs of the sari-sari store operators to efficiently run their business (Leviste.E.N, 2008).

The survey indicates that sari-sari shops in a community are usually home-based. The barrier to enter the retail market is low. So, for those people living in low-income area who have difficulties to find a job, running the shop is the way to generate income for the families. All that the owners need to start the shop is an area in the housing which is closely connect to the public area (street or corridor) and some capital investment for them to buy bulk of product from supermarket. Shop owners sell the bulk product they bought from the supermarket in small package with a usually 10% add up on price in their shore. Although the price of the product is higher than in the supermarket, it is still acceptable, because people living in a low-income area sometimes do not have the money for the bulk of product or they do not need that large package of the same thing or when they suddenly run out of spice while cooking. In addition, sari-sari stores sometimes let

out credit for frequent customers (Leviste.E.N, 2008). This helps to build up a more human relationship between shop owners and customers.

The survey also point out that sari-sari stores are facing problems such as huge similarity in inventory, poor shop management and too much shop in the community than needed.

Case studies by Bonnin mentioned by Malapit (Malapit.H.J, 2007), showed that many of the stores were surviving on very low profit or were just breaking even, these probably because there are too many sari-sari stores selling almost the same product in the community. However, Hazel Jean Malapit (Malapit.H.J, 2007) points out that lower income communities are likely to exhibit excess competition. In a way, sari-sari stores survive really well in the excess competitions in the community by making a balance between generating income for the shop owners and saving money for less budget customers and at the same time building human connections between the two sectors.

Research on commercial mix-used residential area in relation to safety

Considering the location factor, that those micro-commercial stores appears in almost every corner in and around the community, they can act as “eyes on the street” thus help increasing the safety in the community.

There is research examining the relationship between commercial land-use mix and residential burglary. In the research, Dong-Wook Sohn (Sohn.D, 2016) tested the ratio of five kind of commercial facilities (grocery stores, restaurant, office, retail and shopping center) related to the number of burglaries in the example area. The result indicated that the increase of burglaries in the areas of grocery stores, restaurants and offices are associated with a decrease in residential burglary while the ratio of shopping center area was positively associated with the residential burglary density. The ratio of retail store area is not significantly correlated with residential burglaries. Although the context of this research is in America, some discussion listed can might also fit in the context of the Philippines. The adverse effect of shopping centres on neighbourhood safety can be explained by the bringing-in of potential offenders and increased anonymity created by shopping crowds. The positive role of grocery stores, restaurants and offices in improving neighbourhood safety contribute to their “attraction to the right kinds of people and activity” which brings in more local residents and regular visitors who can potentially act as guardians of neighbourhood crime.

There is also research conducted in the Philippines illustrating the surveillance effect that sari-sari stores bring to fishing community. Nelson Turgo (Turgo.N, 2013) through his field research in a fishing community developed the concept of myoticon to describe the surveillance function of sari-sari stores. It is not only an economic hub, but also function as a social hub that connects people and acts as eyes and ears of the community through the people who make use of their services. By chatting with shop owners while buying things, information about community is exchanged, by staying in front of the shop to have a rest, observation on other people's lives in the community is carried out. Once a stranger steps into the community he or she is under monitoring of the many eyes of people in the community. The gossip traveling in the community through the chatting in front of the store also acts as social rules to regular people's behaviours in the community.

3 Argument, Critique or Discussion

Through the limited research on sari-sari storea, we can have a rough impression that, as a commercial facility in the community, the economic value of sari-sari is widely agree upon, however its social value is still under-estimated. The stereotype of sari-sari store, being an effective tool to generate income for families in low income areas has become the image that first appears to peoples' minds when talking about sari-sari store. This image is definitely right, but it is not all the sari-sari store is about. It is different from the modern convenience store such as 7-11 which aims at maximize its profit. Sari-sari stores provide more human connection between shop owners and customers who share a common identity of being residents in the neighbourhood. The chat between shop keepers and customers is at the same time the communication between neighbours. Therefore the interactions happening around the store can bring more social value to community.

Sari-sari store as a convenience store

It still worth to point out that, despite the large similarity of inventory mentioned in the above research, according to my observation, the product that sari-sari store sells is surprisingly rich in a way. Apart from small packaged things like snacks, candy, cigarettes and shampoo which can be seen as standardized setting of inventory for a sari-sari store, other products on sale are coffee, drinks

in glass bottle, ice water, ice cream, phone card, home-made food and desserts, vegetables, gas tanks and even internet. These kinds of products require more investments and require other suppliers different from those bulk product that can easily got from supermarket. This is also what shop owner use to make a different in the excess competition of stores in the community.



I have done a statics in one 5 story medium-rise in the NHA public housing area Carmarin I in Caloocan City on how many stores are there in on building and what product they are selling. Five out of eight units on the ground floor have a home-based small shop though their window facing the open space between buildings. Two of them selling the ordinary bulk product of snacks, candies and so on, one store selling only phone cards, one shop selling vegetable and homemade desert, one shop selling ice water and one of the shop selling bulk product also sell phone card and run a internet bar at the same time. There are also stores in the unit upstairs, they usually put a piece of A4 paper writing the product on sale on the widow facing the open space. In this building, one unit on the second floor is selling ice water and another unit on the third floor is selling phone cards. From this simple statics, some diversity of inventory is revealed.

Home-based business runners develop their unique product by recognising the need of the residents. Take ice for example. In a low-income public housing area, not all the family have their own fridge, however the climate in the Phillipines is hot that people used to drink ice water or cold drink to cool down. Under this circumstance, those families who have bought their own business found selling water frozen in their home is a good business to in a way compensate their investment on the freezer. People with a little more money determined their mind upon buying a rather expensive product more easily when they notice that their neighbours might also need the serve of the product, and they have a chance to make profit out of it. The emergence of an internet bar in a housing unit can be explain by this. The women living in that ground floor unit spend the money saved by the family member working abroad to buy seven computers and connect them to the internet then charge the customs which is also her neighbours for using the computer on 10php/h. It is a commercial strategic that usually is the product or serves that people need that brings the business runner the largest profit.

To some extent, it is a win-win process, as both the business and customs are members in the community, the home-base little stores help to improve the economic states of the residences as well as really bring convenience to them.

Sari-sari store as a social hub

The choosing of location and physical settings of the sari-sari stores initially follow the commercial rules of supply follows demand, however, they end up with working somehow as a social hub. To gain more shopping frequency, they are usually located in places with more passer-byes or where people are tend to gather. To keep frequent buyers, shops are arranged to become a better place for people to stay. These features of the stores not only support the running of the stores but also prepare them to become social spot in the community.

Sari-sari stores selling mainly food usually have shading devices over to protect the food in hot weather, and provide some seat for customers to finish their food and hangout for some time. Thus, neighbours came to buy things tend to stay longer and have a few words with the shop owners. They exchange information about community life and observe what's happening around at that time.

In some housing area with medium-rise buildings, sari-sari stores are surprisingly at the same time rationally found in the corridor on every floor of the building. It is unusually to open a shop inside a residential building which is technically leak of potential customers. However, corridors in the Philippines are popular places for neighbours to gather because it provide shadings and cooling in hot weather. A sari-sari store providing some small chair is a good place for them to set and talk. Every day, women staying at home gather in corridor talking with each other about what's new in the community and their life, men coming back from work will set in front of the store, playing pucker and observe the passers-by. If the shop is located close to a more public open space, for example a basketball field or main streets, it is an even better place for neighbours to stay and watch street life happen. This is an occasion for neighbours to get to know each other, participate unconsciously on community surveillance, thus bound to the community.



It has been reported in some research that shops on the street functions as 'eyes on the street' for the safety of the community. Although shops being there are mainly because there would be more passers-by at the entrances and main streets of the neighbourhood, they become the "guard" of the neighbourhood to some extent, warning strange people from attempting into the neighbourhood. My experience in Bagong Silang can be a proof of this. When we try to enter an alley

into a gated roll housing area, a couple of boys seating in front of the sari-sari at the entrance came to stop us because there might be dogs. At night those still open shop become “nights watch” in the streets. People felt safer with the light from the street when they are walking along the street, because they knew that if something really happens they can have somewhere to ask for help.

The location of home-based community stores in corridors, near public space, by the entrance of the neighbourhood and along the main street is a result driven by the commercial rules, the social effect is bring out as a side-effect in the process of daily running. This doesn't mean that it can be ignore. In the contrast, it should be taken into consideration in the process of design of low income housing neighbourhood.

4 Urban Shelter Design and the Role of Architects

Based on the above discussion, we have come to several conclusion on the role of home-based micro-enterprise on community and how they work.

- Diversity in inventory of home-based stores help better improve the economic status of shop owners' families in the community.
- Diversity in inventory of home-based stores bring convenience to people in the community.
- Sari-sari stores connect to public space with adequate sitting facilities encourage the communication between neighbours and surveillance in the community.
- Sari-sari stores in specific spot of community can serve as guard to the community.

These are important things to keep in mind. In consider of apply them into urban shelter design, here comes some design criteria which I think is good to follow in order to make full use of the role of home-based stores in community.

1. In unit design level, to have more variety in unit to encourage the emergence of different type of home-based stores.

So far as I observed, sari-sari stores in public housing area are mostly a part in the unit, commercial use area and residential use area in a unit is not separated. This mix function arrangement causing by the ignorance of commercial use potential in unit design limited the possibility of having a home-based store not to mention a store with variety in inventory. However, public housing area with a

typology of one to two floor roll housing is still better than medium-rise housing in the possibility of opening a sari-sari store because most of the roll housing unit have a small balcony at ground floor which have a potential to be turn into a sari-sari store with more space for displaying goods, installing coffee machine or fridge in a separate area in the unit. So, in the unit design level, area in unit which can be convert to a semiprivate store space when needed should be taken into consideration for the possibility and diversity of home-based stores.

2. In neighbourhood design level, think carefully in the connection between housing units and public space to create a more welcoming environment to home-based micro-enterprise stores.

As it had been point out that home-based store connected to public space can have more community function, to make full use of these distinct features, when designing a public space, whether it provides the possibility for units connected to have home-based shop or not should be a design criteria. For example, medium-rise buildings with wider corridor which tend to be the gathering place for neighbour also provide a better survival environment for home-based stores upstairs. Also, providing an organized market place for hawkers in the community is another way to think of the relationship between public space and community commercial. The hawker centre in Singapore which has become tourist attraction for the country can be a good case (Henderson.J.C, 2012).

3. Leave enough space for bottom up changes to happen within the community.

In current urban shelter design situation, the whole planning and design of a low income housing area from the unit design, the public space arrangement and where should have the commercial facilities is decide by professional architect. However, sometime the so call good example they learn from other country doesn't work in the local context. On the other hand, many community function of homebased neighbourhood commercial come from the very bottom local experience. So, designers of public housing area should consider the bottom up growth of community commercial. They will appear in wherever is need, sell whatever is missing and function as the community needed.

5 Conclusion

By identify the connection between the features of a sari-sari store being a commercial facility and the social effect in bring for the building of sense of community, the importance of having some micro-enterprise spread out within and around the community had be revealed. With the shop owner being a member in the community in the community, the sari-sari stores during its running for profit, endurance lower profit level but provide real convenience and nice gathering place for other members in the community.

Although home-based micro-enterprise which have been proven to be important in improving the community in both economy and social aspect, it is so sad to state that almost all the home-based little shop I observed in low-income housing area are informal. These active multifunction spot in the community has not been given space to be grown out of a top down design level of the housing area.

For a better bottom up development for a low income public housing area, in design level, planners should develop a better connection between public space and housing unit as well as give more diversity in unit layout for house owner to have a chance of opening a store that is good to the community. The basic rule is to give bigger potential to a unit to be grown into a home-based micro-enterprise store in a proper location that is beneficial to the community.

References

- Åstrand, J. et al., 1994. *Materiaux thermiquement isolants. Beton*. Lund: LCHS.
- Evans, M., 1980. *Housing, Climate and Comfort*. First ed. London: Architectural Press.
- Jenkins, P., Smitt, H. & Wang, Y. P., 2007. *Planning and Housing in the Rapidly Urbanising World*. First Edition ed. London: Routledge.
- Leviste.E.N, 2008. *CARD, Inc. Upscale research on mini-variety (sari-sari) store project*, s.l.: s.n.
- Malapit.H.J, 2007. The Filipino sari-sari store. *Seminar in Economic History /Empirical Political Economy*.
- Sohn.D, 2016. Do all commercial land uses deteriorate neighbourhood safety?: Examining the relationship between commercial land-use mix and residential burglary. *Habitat International* , pp. 1-11.

Turgo.N, 2013. 'Here, we don't just trade goods, we also “sell” people's lives':
Sari-sari stores as nodes of partial surveillance in a Philippine fishing community.
Singapore Journal of Tropical Geography, Volume 34, pp. 373-389.