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SOCIO-ECONOMIC IMPACT ASSESSMENT OF FOOD DELIVERY PLATFORM WORKERS

Report 20230801

SOCIO-ECONOMIC IMPACT ASSESSMENT OF FOOD DELIVERY PLATFORM WORKERS

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Prosus

NATIONAL COUNCIL OF APPLIED ECONOMIC RESEARCH

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Preface

The platform economy has immense transformative potential. Its impact is spread acrosi various aspects of the economy, and concomitantlyto the rest of society. In particular, digitally enabled economic activities (platforms) are transforming the nature and character of work, and thereby of labour relations.

This report, the first output of a three-part research programme undertaken by NCAER extensively explores the socio-economic implications of workers engaged in the food delivery platform industry, shedding light on their employment patterns, incomes, and work environments. Parts two and three of the research programme reports, to be released subsequently, will evaluate the socio-economic impact of food delivery platforms on restaurants, and their systemic impact on India's economy and labour markets.

The objective of this report is to conduct a socio-economic impact assessment of food delivery platform workers. The issues of platform workers, especially those engaged in food delivery, have been the subject of extensive debate, especially with regard to their incomes, work conditions, work status, social security, and health insurance, among other things.

The NCAER team that worked on this report has been guided by an Advisory Panel chaired by Dr Sudipto Mundle, which also included senior NCAER faculty - Dr Shashanka Bhide, Professor Sonalde Desai, and Dr G.C. Manna, along with leading policymakers & private sector experts, notably Mr R.C.M. Reddy, Mr Sehraj Singh, and Mr Arun Pillai. The report signifies an effort to understand the nature of work performed by food delivery platform workers, places it within a coherent framework, and thereafter assesses the impact of these platforms on workers.

The key findings of the report include that the food delivery platform sector creates jobs for young workers (aged below 35 years), enabling them to use their time productively. Further, the platform sector helps to create jobs in Tier 2 and Tier 3 cities with a majority of such workers engaged in food delivery in their hometowns. While the work has become formal, the worker remains informal. The platform sector provides opportunities for the re-skilling of workers.

In addition, the food delivery platform sector is characterised by very high attrition rates. The opportunity to earn higher income or additional income is the major reason for workers to both join and exit platforms. The platform sector also acts as a social safety net during periods of unemployment. The findings elucidated in this report can thus guide policymakers in designing appropriate social welfare policies and safety nets for platform workers.

I express my appreciation to the project team led by Dr Bornali Bhandari and core team members, including Dr Samarth Gupta, Mr Ajaya K. Sahu, Mr K.S. Urs, Dr Gautam Kumar Das, Ms Nishika Pal, Mr Karan Raj, Mr Sharon Thomas, and Ms Poonam Dhawan.

I also thank Prosus for helping NCAER in developing this new programme of work around digital platform economy We genuinely hope that this study will prove to be a valuable and handy resource for both policymakers and academics, going forward.

POONAM GUPTA
Director General
NCAER

Acknowledgements

During the course of the study of food delivery platform workers we have benefited immensely from a host of people and without the cooperation of each of them, the work would not have been successfully completed.

We are grateful to the members of the Advisory Panel, Dr Sudipto Mundle, Dr Shashanka Bhide, Dr Sonalde Desai, Dr G.C. Manna, Mr Arunkumar Pillai, Mr R. C. M. Reddy and Mr Sehraj Singh for their continuous guidance, advice and support. We are grateful to the then Labour Secretary, Government of India Mr Sunil Barthwal for taking key interest in the Study and gracing the inception webinar which set the tone for the study. We also thank the Joint Secretary, Ministry of Labour Mr Kamal Kishore Soan for taking key interest in the study and for giving inputs as to how it can be expanded.

We are grateful to the sponsors, Prosus India for reposing trust in us to carry out the important study. We thank people from the selected food delivery platform for making us understand the way the platform operates and for sharing with us the exhaustive list of delivery workers for sampling.

We are grateful to NCAER Director General Dr Poonam Gupta for her continuous support and guidance. Advice and active involvement of Prof Anil K. Sharma is gratefully acknowledged. Support of the IT team led by Mr Rakesh Srivastava is also highly acknowledged.

We are thankful to the agencies that were engaged in the survey for completing the survey in time. Last, but not the least, we are grateful to the food delivery platform workers who spared time amidst their busy schedules and patiently listened and answered our queries.

BORNALI BHANDARI
Professor
NCAER

Abbreviations and Acronyms

$	Currency symbol of United States - Dollar
Chi	Chi-squared test
DCSS	Code on Social Security
FGD	Focus Group Discussion
GDP	Gross Domestic Product
GPS	Global Positioning System
ID	Identity Document
ILO	International Labor Organization
IT	Information Technology
Km	Kilometre
MGNREGA	Mahatma Gandhi National Rural Employment Guarantee Act
MoF	Ministry of Finance
MoHFW	Ministry of Health and Family Welfare
MoLJ	Ministry of Law and Justice
MoSPI	Ministry of Statistics and Programme Implementation
NA	Not Applicable
NCAER	National Council of Applied Economic Research
NCEUS	National Commission for Enterprises in the Unorganised Sector
NGO	Non-Governmental Organisation
NITI	National Institution for Transforming India
NSDC	National Skills Development Corporation
NSO	National Statistical Office
PDS	Public Distribution System
PLFS	Periodic Labour Force Survey
Prob	Probability
RPL	Recognition of Prior Learning
Rs	Rupee
S&D	Sourcing and Distribution

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Executive Summary

The objective of this report is to conduct a socio-economic impact assessment of a food delivery platform worker. NITI Aayog (2022) brought forth the challenge of estimating the number of platform workers and highlighted the challenges of policy formulation around them due to dearth of data. The subject of platform workers and especially those in food delivery has been the subject of much debate especially regarding their incomes, work conditions, work status, social security, health insurance and more. This report is a contribution to both the literature and policy making in India about food delivery platform workers.

Based on a literature review, the National Council of Applied Economic Research (NCAER) used a 3–E framework of entry, experience and exit to assess food delivery platform workers. NCAER conducted a telephone survey of 924 food delivery platform workers from one food delivery company spread across 28 cities with representation from all city types (Tier 1, 2 and 3), regions (North, South, East, and West), activity status of workers (active and inactive/exit), tenure of workers in the platform (less than 1 year, 1–2 years and more than 2 years) and engagement type (long-and short-shifts). This was carried out in April and May 2022.

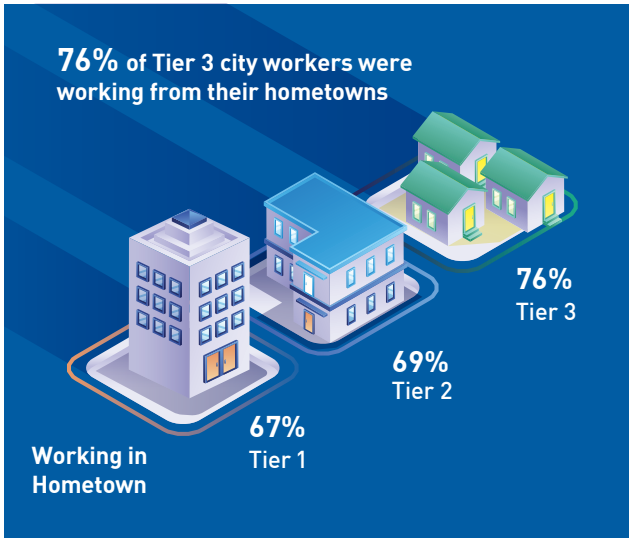
Workers can be classified in two ways: by the duration of their shifts and by their current job status. In terms of shift duration, workers working for 11-hour slots were labelled 'long-shift workers'; this includes wait time between orders and wait time at restaurants to collect orders. Others were 'short-shift workers' who worked for 5 hours, or on weekends, or on special days. Workers chose the shift type at the time of enrolment into the platform.

In terms of current job status, of the 924 workers in our sample, 57.8 per cent of workers were active, i.e., working on the platform at the time of the Survey and 42.2 per cent of workers were inactive/exit (not working for the platform). The average daily hours worked by a long-shift worker in the sample was 10.8 hours and by a short-shift worker it was 5.2. The majority of workers were male (99 per cent). Half the workers in the sample were from Tier 1 cities and the other half from Tier 2/Tier 3 cities. 18.7 per cent of workers were from North and East (each), 30.6 per cent were from the West and 31.9 per cent were from the South.

The key results are reported here.

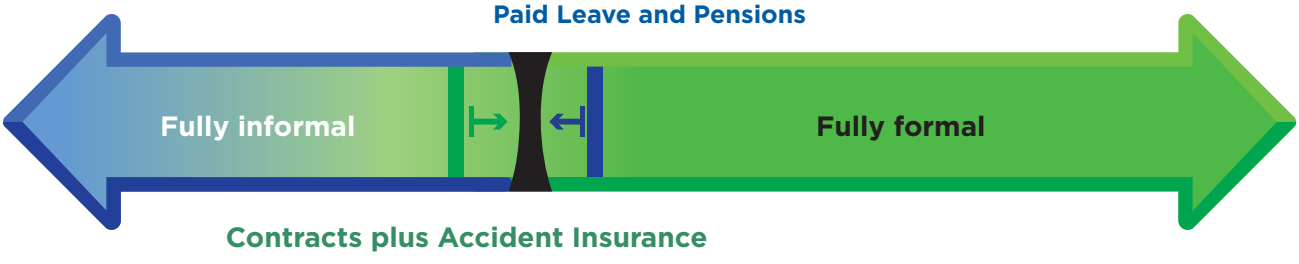
A. Labour Market

1. **Platform work helps generate local jobs in Tier 2 and Tier 3 cities.** Almost 70 per cent of surveyed workers were non-migrant, and working in their own hometowns.



2. **Platform work moves the needle on formalisation.** While 100 per cent of the workers had a task-based written contract in the food delivery platform sector, only 31 per cent of the long-shift workers had a tenure-based written contract of more than one year in their previous job. Among active short-shift workers, 44.2 per cent had written contracts in their alternative jobs. 26 per cent of long-shift workers and 21 per cent of active short-shift workers responded that they received health insurance from their past or alternative employers, respectively. In contrast, 100 per cent of food delivery workers had accident insurance (although this is considered partial health insurance). The food delivery platform does neither offers paid leave nor pensions. In contrast, 40 per cent of long-shift workers and 30 per cent of short-shift active workers had paid leave in their previous or alternative jobs respectively. Further, 25 per cent of long-shift workers and 17 per cent of short-shift workers had pensions in their previous or alternative jobs, respectively.

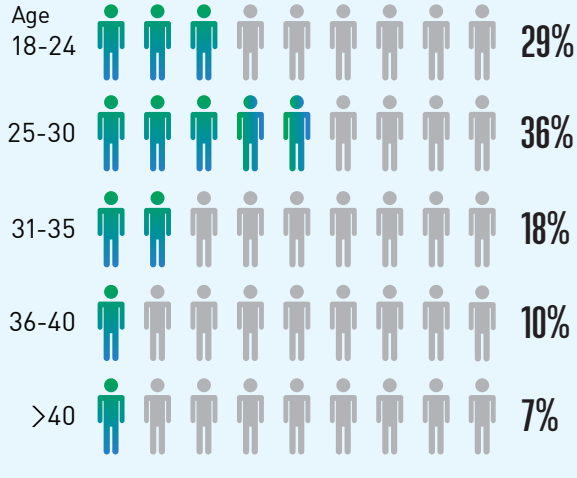
Platform work moves the needle on formalisation



3. **Food Delivery Platform acts as a Tool for social protection.** The platform acts as a shock absorber during episodes of unemployment. 9 per cent of respondents responded with, job loss as a reason to join the platform, whereas 31.6 per cent responded that they were unemployed for 5.4 months before joining the platform. It was especially relevant during the pandemic.

4. **Food Delivery Platform creates jobs for young urban Indian males.** The majority of workers were below the age of 35. The average age of a food delivery worker was 29.1 (median was 28).

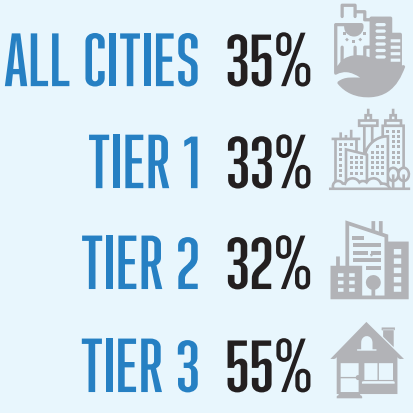
84% of the respondents were below the age of 35



5. **Platform work is a stepping stone for students into a 'world of work'** but not necessarily a long-term career. For 23.8 per cent of the workers, the food delivery platform was their first job. Of this group, students form the largest chunk (88 per cent).

6. **Easy entry and exit in platforms mean that relatively youthful workers use their time productively.** This enables them to go around their city meaningfully with a productive purpose (instead of for random amusement). Platform work offers independence (i.e. no boss) and flexible work/ hours. This is especially true for those in Tier 3 cities.

55% of Tier 3 city workers cite independence (i.e. no boss) as a reason to join food delivery platform



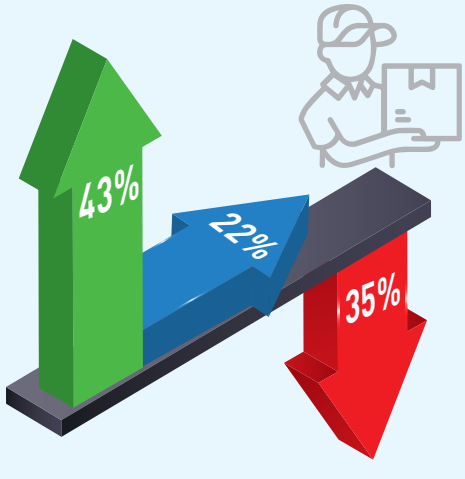
B. Incomes

1. **Higher or additional income** is the main reason for workers to take up platform work (68 per cent of all respondents).

2. **The active long-shift food delivery platform worker on average works 27.7 per cent longer than the average urban youth male worker, but generates 59.6 per cent more (gross) income than him.** However, after accounting for fuel costs, the increase in income reduces to 5 per cent. Further platform workers were earning lower (Rs 20, 744 per month) than their peer group (Rs 22,494 per month) covered in the PLFS 2021–22. The peer group comprises of workers in the age group of 18–35 with at least higher secondary education. Platform workers were working 23 per cent more than their peers and earning 8 per cent less than them. Hourly earnings for an average long-shift food delivery platform worker was US$ 1.1.

3. **Mixed performance on incomes.** In comparison to their previous jobs, real incomes (indexed to Consumer Price Index Urban 2011–12) had either increased or remained the same for 65 per cent of the long-shift platform workers and decreased for 35 per cent.

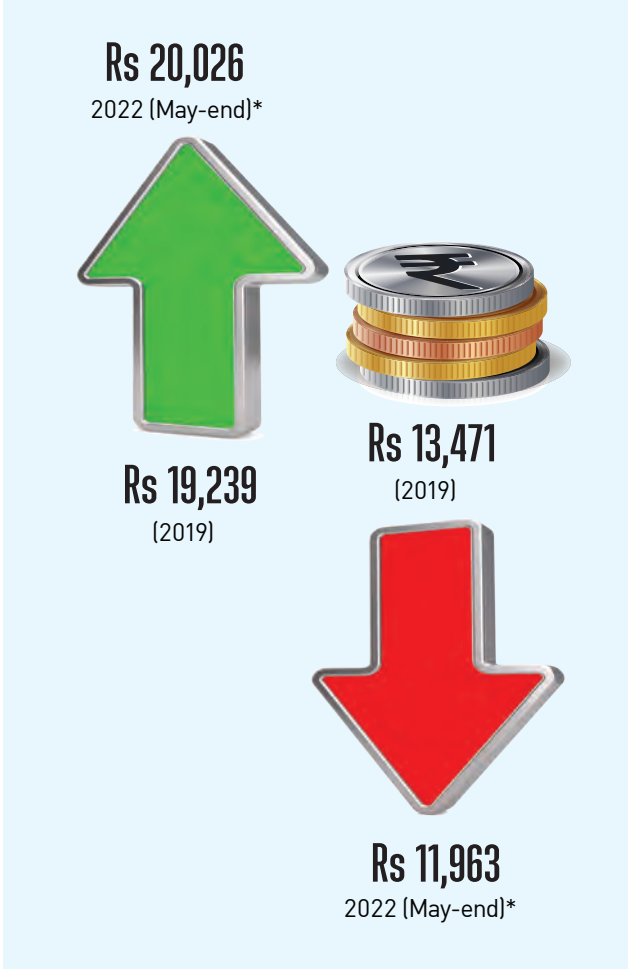
Compared to their previous job, incomes either increased or remained the same for 65% of long-shift workers



4. **Active short-shift workers earned about 42 per cent of their total Incomes from the food delivery platforms in nominal terms in 2022.** The average nominal earnings of active short-shift workers was Rs 12,149 per month in 2022. Their nominal income from non-platform work was estimated to be Rs 17,000.

5. **Average real monthly income of food delivery platform workers have come down over time between 2019 and 2022.** This is primarily due to inflation. Average nominal incomes of long-shift workers have gone up over time from Rs 19,239 in 2019 to Rs 20,026. However, short-shift workers have experienced an inverted U-shaped trend in their nominal incomes over the years between 2019 (Rs 11,425) and 2022 (Rs 11,982).

Nominal incomes went up while real incomes came down for long-shift workers



6. **Ability to meet Current household expenditure has also gone down for long-shift workers.** Long-shift workers were breaking even in 2019 and 2020 but not in 2021 and 2022. As fuel costs and overall inflation started to rise, workers found it increasingly difficult to meet monthly expenditure out of the monthly income earned from the platform. The share of workers having other sources of income was limited.

7. **Workers suffered a double whammy in 2022.** Real incomes came down because of higher inflation. At the same time expenditure went up due to rise in fuel costs at a faster rate than the rise in nominal incomes.

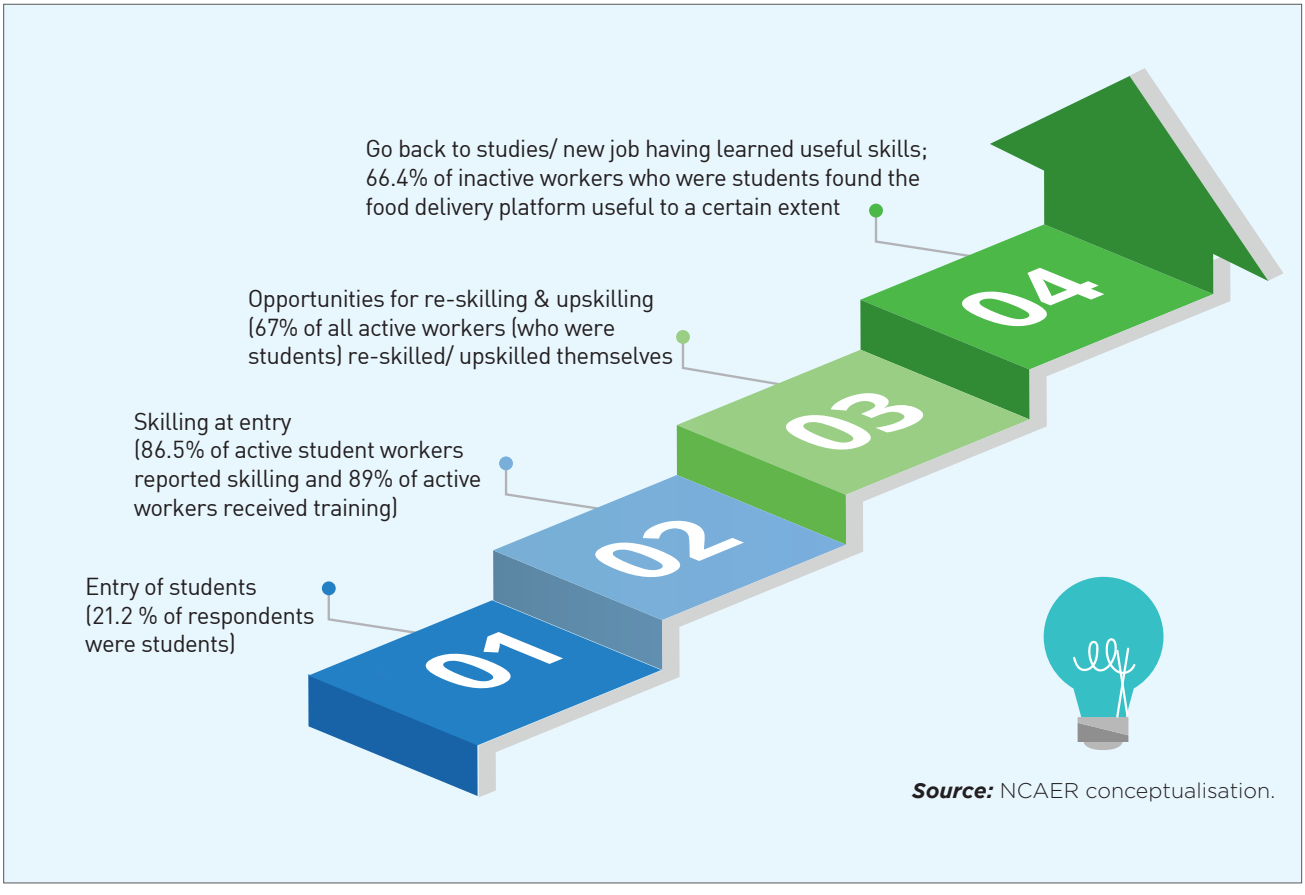
C. Step-up Skilling

1. **Platforms help skill and train delivery workers.** 88.6 per cent of the active workers reported receiving training by the platform. 55 per cent of the active workers 'regularly' re-skilling or upskilling themselves from the skilling content provided by food delivery platform.

2. **Skilling on platform sets up workers for their next job.** 38.2 per cent of exited workers favourably viewed their platform experience as useful (either useful or very useful) in their new jobs. They highlighted GPS, knowledge of roads, customer handling and speaking English as key skills they picked up in their time as delivery workers.

3. **Workers move on to better paying jobs after the platform experience.** Regarding whether the platform experience helped them get higher pay in their new jobs, 52.6 per cent answered 'yes' or 'maybe', with not much difference across city tiers.

Food Delivery Platforms Provide Skilling Opportunities at every Level for Students



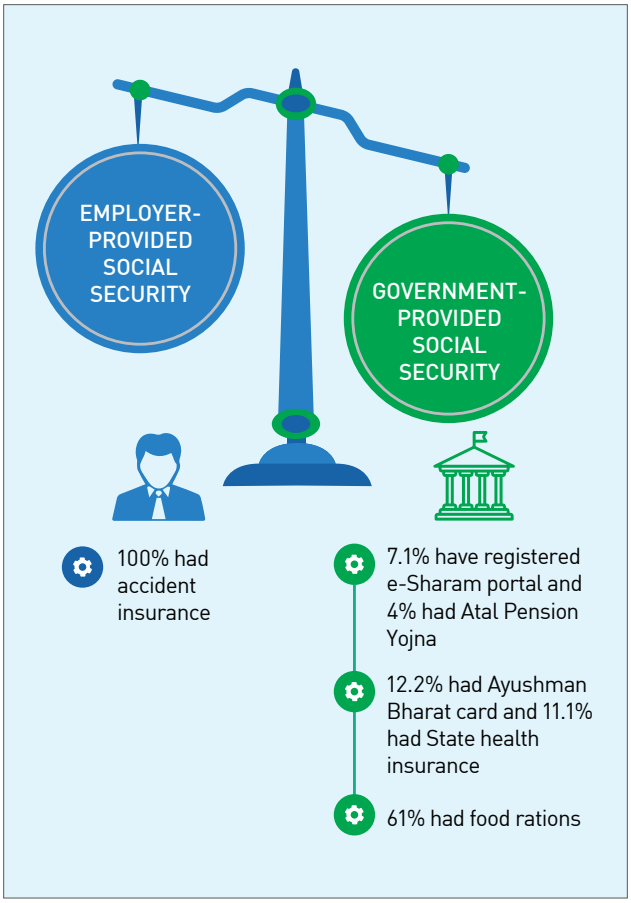
Source: NCAER conceptualisation.

D. Policy Recommendations

1. **There is a trade-off between regulation and flexibility in food delivery platform work.** Relative easy entry and exit characterises this work. People use this work not as a career option but as a fall-back option in times of need or for augmenting incomes. At the same time, the food delivery worker falls in the middle in the autonomous continuum, i.e., it has some degree of control over their own work but not fully. India faces a trade-off in this sector between very tight regulations and taking away the flexible nature of the work, thereby taking away an easy option for work (where it is hard for youth to find work).

   A balanced approach needs to be worked out so that the nature of the work is kept intact while simultaneously improving the condition of the workers. The answer lies in improving social security of the workers and recognising their skills learned while working at the platform, which helps them to move on successfully.

2. **Social security.** 61.9 per cent of the workers received rations. Only 12.2 per cent of workers have an Ayushman Bharat card; 7.1 per cent are registered on the e-Shram portal and 4 per cent on the Atal Pension Yojana.



Having moved the needle on formalisation, the accompanying desire is to also provide platform workers with social security. That is also the policy objective of the government in tandem with the Social Security Code 2020. Traditionally, social security covers health insurance and pensions. The question is who should provide it–the government or platform companies? When we look at all the numbers holistically for food delivery, it is obvious that food delivery platform workers need social security support. They are not strictly employees, which does not entitle them to any employer-given benefits. It is characterised by part-time work too. However, their autonomy in practice is limited. Further, platform workers' attrition rates are high. The average duration of food delivery platform work is 14.2 months. This makes it very challenging for any one company to give social welfare support.

In that case, the government is the best medium to provide social security. Platform companies may provide additional revenue to the government to finance the social security in a centralised fashion. Platform companies should ensure that workers are enrolled on the e-Shram portal and help them enroll on PDS, Ayusham Bharat/State Health Scheme and Atal Penson Yojana at the time of enrolling them.

3. **Recognition of Prior Skilling (RPL).** Platforms can tie up with the National Skills Development Corporation (NSDC) and provide skilling certificates to platform workers along with recordings their current ratings. The NSDC's RPL scheme can be leveraged here. This will help workers get their next job.

4. **Food delivery platforms need to do a better Job of Orienting their Workers and Facilitating their Access to Health Insurance and other Social Welfare Benefits.** A more human face of companies is needed to help workers manage their challenges.

5. **Municipalities need to improve health facilities to enable walk-ins.** One does not always need a hospital stay (and therefore not health insurance) but just first aid. Platforms can make information available about doctors who provide such walk-in facilities in key neighbourhoods. SOS facilities on the workers' app is also helpful.

CHAPTER - 1

Introduction

1.1 Introduction

The objective of this report is to conduct a socio-economic assessment of a food delivery platform worker in India. The NITI Aayog (2022) brought forth the challenge of estimating the number of platform workers and highlighted the challenges of policy formulation around them due to dearth of data. The subject of platform workers, especially within food delivery, has been the subject of much debate especially around their incomes, work conditions, work status, social security, health insurance and more.

Digitally-enabled economic activities (platforms) are changing the nature and character of work and therefore labour relations. This raises several questions. What is the impact of platforms on workers and the operation of labour markets? Is platform work making previously informal work and workers, formal? Are platform workers "better off"? Is platform work offering more job opportunities than had previously existed? Are different skill sets required to be a platform worker? Are workers gaining skills by being platform workers? Further, what are the implications for social security? It also poses larger policy relevant questions for India, i.e., what is the impact of the food delivery platform on labour markets-Does it create jobs and at what level? Or is it acting just as a social welfare net? Is it a viable career option for India's youth or just an opportunity to earn pocket money and skill up?

This report is a contribution to both the literature and policy making in India about food delivery platform workers.

1.2 Report Framework

First, we used a literature review to define the characteristics of platform workers. Based on the literature review, the National Council of Applied Economic Research (NCAER) used a 3-E framework of entry, experience and exit to assess food delivery platform workers. The 3-E framework asked about the following.

A. Socio-economic background of workers, what were they doing before joining the platform and the characteristics of their previous job or their alternative jobs.

B. Entry into the platform
   a. Why did they join platform work?
   b. What were the entry requirements? Is it easy to enter?

C. Experience of the platform
   a. Incomes
   b. Degree of autonomy the workers have on the platform
   c. Impact of the pandemic

D. Exit from the platform
   a. Why do they exit?
   b. Is it easy to exit?
   c. Do they want to return?
   d. Are they better off in their next job?

1.3 Key Results

1.3.1 Who is a Platform Worker in India as Characterised in the Existing Literature?

The platform worker in India has the following characteristics (from the literature review in Chapter 2).

- Task/deliverables-based contract between the service provider and the online intermediary (platform)
- The contract is market/transaction-based and assigns costs of transaction failure risks to the intermediaries.
- The exact nature of the service provided and price for the service are pre-determined by the platform.
- Paid Employee or Independent Contractor: An empirical question where the response will vary from platform to platform, industry to industry.
- Low or uncertain payments: The literature says that this is a characteristic of a platform worker. In this report, we frame this as an empirical question of whether long-shift platform workers who are completely dependent on the platform economy are able to make minimum living standards or minimum wages. And if they are making low payments, what is the policy implication for such a phenomenon?
- Formal Work, Informal Worker: The nature of the contract of the platform worker is distinct from a standard informal worker in India. The transactional contract makes the work done by a platform worker "formal" as the task and payments associated with it are pre-decided and all parties know the costs of failure. Here, the transaction for work also may have a tax component attached like in food delivery. However, the worker himself/herself remains informal because he/she has neither employer-provided social welfare support (such as pensions and medical insurance), nor a tenure-based job contract, nor access to state pensions. At most, food delivery platform workers may be covered by accident insurance but not comprehensive medical insurance.

1.3.2 NCAER Survey

NCAER conducted a telephone survey of 924 food delivery platform workers from one particular company[1] spread across 28 cities with representation from all city types (Tier 1, 2 and 3)[2], regions (North, South, East and West), activity status of workers (active and inactive/exit), tenure of workers in the platform (less than 1 year, 1–2 years and more than 2 years) and engagement type (long-shift and short-shift). This was carried out in April and May 2022.

Workers can be classified in two ways: by the duration of their shifts and by their current job status. In terms of shift duration, workers working for 11-hour slots were labelled 'long-shift workers'; this includes wait time between orders and wait time at restaurants to collect orders. Others were 'short-shift' workers who worked for 5 hours, or on weekends, or on special days. Workers chose their shift type at the time of enrolment into the platform.

Of the 924 workers in our sample, 57.8 per cent of workers were active, i.e., currently working on the platform at the time of the Survey carried out in April–May 2022 and 42.2 per cent of workers were inactive/exit (not working for the platform). The average daily hours worked by a long-shift worker in the sample was 10.8 hours and for short-shift workers it was 5.2. The majority of the workers were male (99 per cent). Half the workers in the sample were from Tier 1 and the other half from Tier 2/ Tier 3 cities 18.7 per cent of workers were from North and East (each), 30.6 per cent of workers were from the West and 31.9 per cent of workers were from the South.

The average age of a food delivery worker was 29.1 years. He, since 99.9 per cent of food delivery platform workers were men, was slightly older than urban youth (age 18–29), but

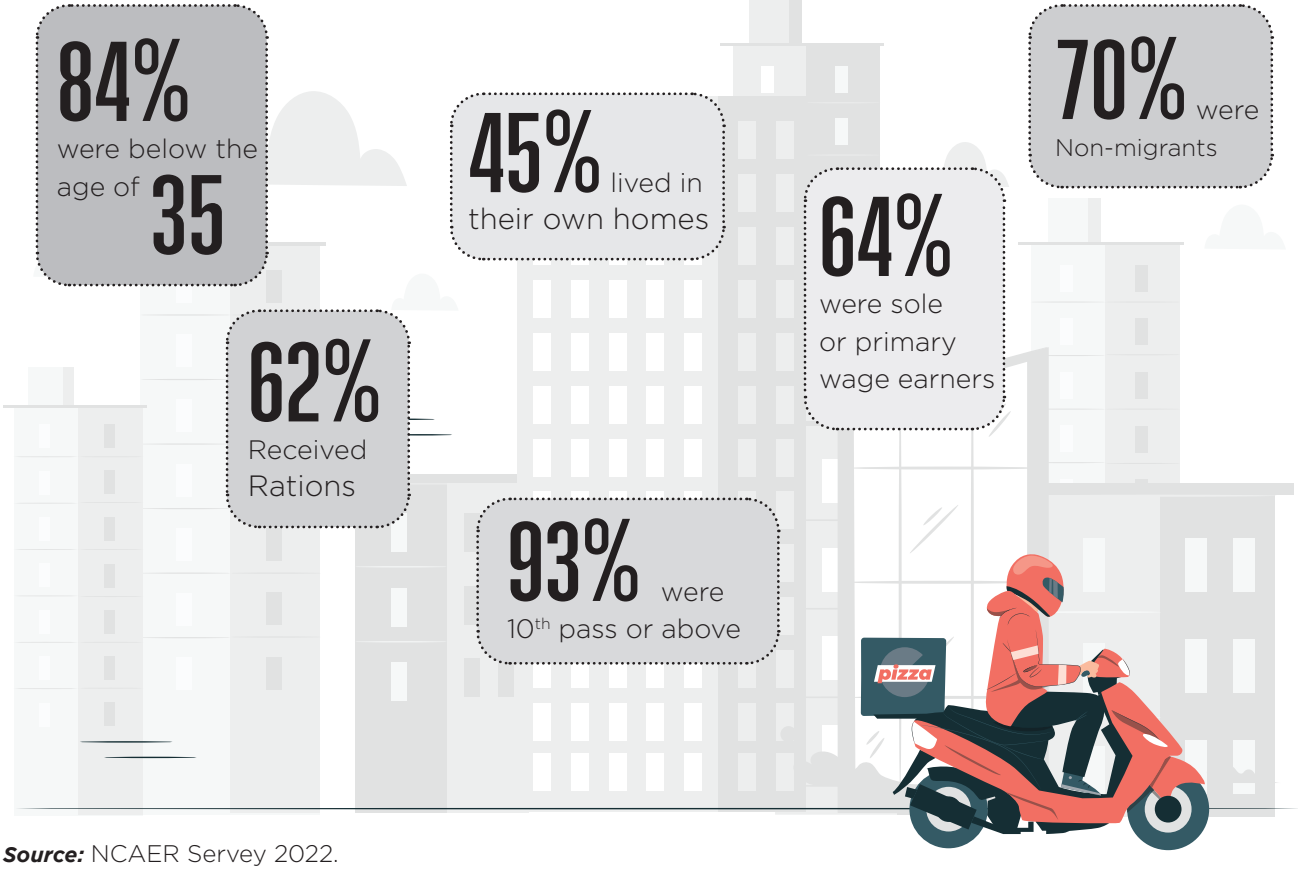
younger than urban male workers (aged 18+). The average age of an urban youth male worker in 2021–22 was 24.6 years, whereas the average age of an urban male worker in India was 39.9. The average food delivery platform worker was better educated than the average urban male. Almost 40 per cent of Tier 2 city food delivery platform workers were college graduates. 43.7 per cent of workers were the sole wage earners in their families, 20.6 per cent were primary wage earners and 33.4 per cent were secondary wage earners. Almost 70 per cent of workers were non-migrant, and were working in their own hometowns. 45 per cent of workers lived in their own homes; this figure was as high as 70.7 per cent for Tier 3 cities.

Approximately 50 per cent of the workers were short-shift workers.

The food delivery platform worker, on average, worked 27.7 per cent longer than the average urban youth male worker. But he also generated 59.6 per cent more income than him.

1.3.3 What has been the Impact on Workers of Joining a Food Delivery Platform?

There is extensive literature on the impact of platforms on workers (see Chapter 2). The NITI Aayog Report itself eulogises platform work as it can democratise jobs by lowering entry barriers and offering better income opportunities in India. On the other hand, popular opinion revolves around workers receiving low pay and working long hours to make ends meet. Are they subservient to the platform algorithm where they really do not have any autonomy or flexibility? Are they isolated and exhausted? Which is true? Further, NITI Aayog writes that the platforms present an opportunity for workers to upskill themselves. Does this really happen? The reality is somewhere between the two for this industry.



Source: NCAER Servey 2022.

1.3.4 What were they doing before joining the platform?

Although highly-skilled (93.5 per cent of workers have secondary education and above) and people with work experience have joined the platform, they come from different backgrounds and occupations. Among all the respondents, for 23.8 per cent the platform was their first job and of that 88 per cent were students.

The majority of workers were in temporary/casual jobs before joining the platform. They had either switched to the platform completely or continued working in their temporary/casual jobs while also working on the platform.

1.3.5 Why Start Working in a Food Delivery Platform?

Higher or additional income was the dominant reason for entering platform work (67.8 per cent of all respondents). When we analysed the other reasons by various parameters, we found that a higher share of Tier 3 city workers chose independence, flexible work hours/days, mode and regularity of payments and easy entry as reasons to choose platform work. Their socio-economic background and conditions of their previous/alternative work (digital and regular receipts of payments) were affecting their choices.

1.3.6 Does it Democratise Work?

Yes and no. The NITI Aayog is right about democratising work – the entry conditions were relatively easy, i.e., one acquires information through a close-knit network and an interview process. Sometimes one can get away without an interview too. Since the majority of workers came with prior job experience, entry both on the demand side (platform) and supply-side (workers) was relatively smooth.

The upfront costs of entering the platform were a two-wheeler, smartphone and the kit bag. On average, Tier 1 city workers tend to incur higher costs. More respondents owned a vehicle (two-wheeler) versus a smartphone before entering the platform. Still, 20-25 per cent of the workers did incur those costs before entering the platform and those expenditures do form a large proportion of their monthly expenditure (even if paid on equated monthly instalments). There is a one-time cost of acquiring the kit bag. However, workers were not using the platform as a guarantor to acquire the vehicle.

In addition, it is easy to stop working with the platform if desired.

1.3.7 Does the Platform Provide Social Protection?

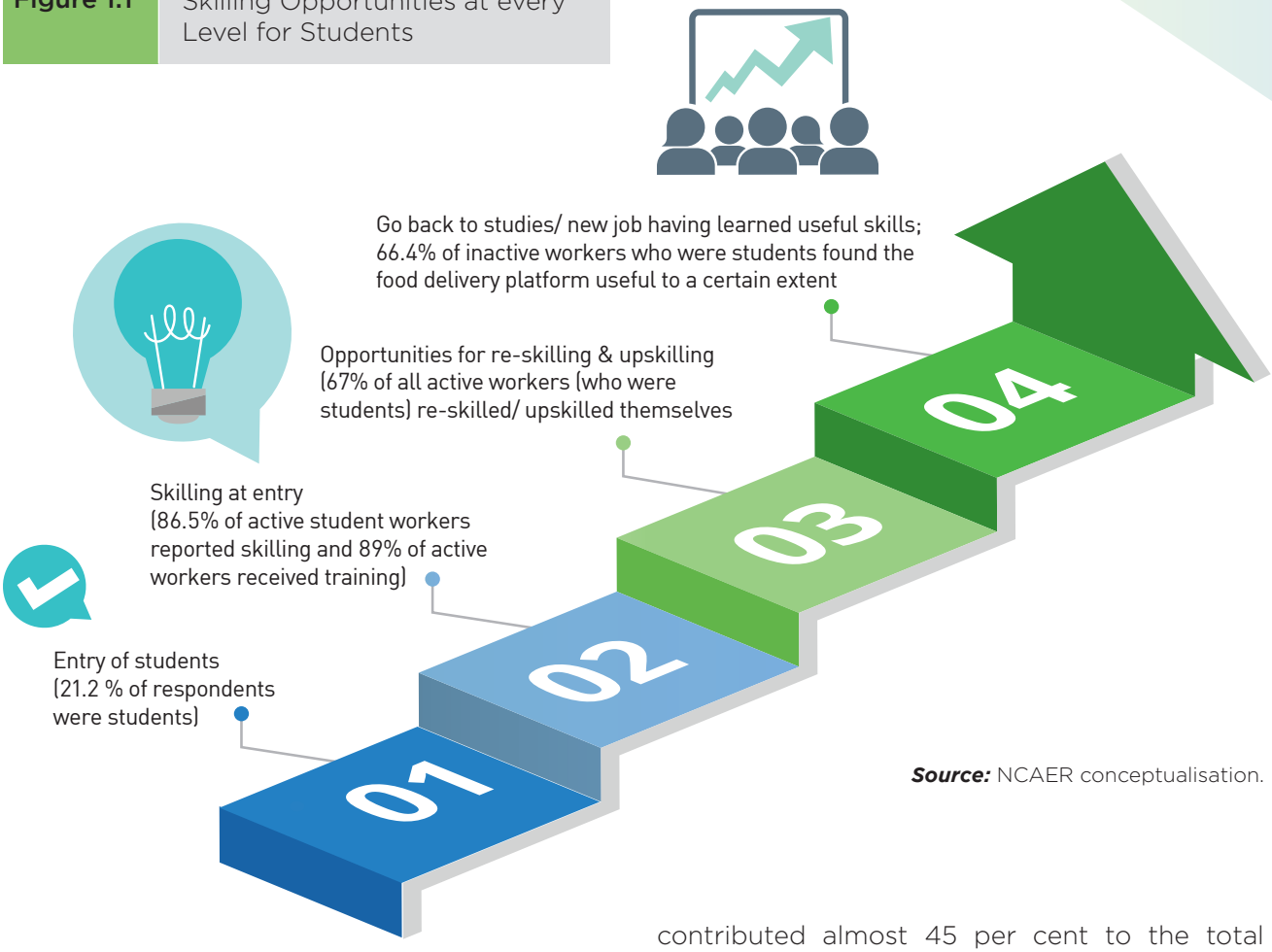
The food delivery platform work acted as a tool for social protection during distress/unemployment, especially during the pandemic. It was also a stepping stone for students into a 'world of work' but not necessarily as a career choice in food delivery. It created jobs in Tier 2 and Tier 3 cities.

Jeffrey (2010) discusses the unemployed lower middle class young men in North India who are passing time, waiting and preparing for a government job. Instead of perennially waiting, evidence from the Survey suggests that platform work can be a productive and remunerative job option for unemployed lower middle class young men, especially in smaller cities.

1.3.8 Does the Platform Re-skill and Upskill the Workers?

As mentioned earlier, students form the largest group who are entering the platform. They leave too. The platform provides skilling while entering the job and provides re-skilling/upskilling opportunities during the job (Figure 1.1). Platform workers also learn GPS, road knowledge, customer service, etc. during their job. Experience working in platform jobs does help them land other jobs, but not necessarily higher paid ones. From entry to exit, it is clear that platforms are providing workers a step-up opportunity, though skilling and training opportunities need to be enhanced.

Figure 1.1 Food Delivery Platforms Provide Skilling Opportunities at every Level for Students



Source: NCAER conceptualisation.

1.3.9 Are Workers Better Off after Joining the Platform?

Yes and no. We compared workers with either their previous jobs or their alternative jobs. We found that long-shift food delivery workers were working the same number of days in a week as in the previous job. Platform workers worked for an hour longer in the platform on average, which included wait time to get fresh orders or waiting at restaurants to collect the order. However, incomes had not uniformly increased for all long-shift workers compared to their previous jobs.

The short-shift workers were working, on average, 5 hours a day in the platform and six days a week. The average duration on the platform of short-shift active workers was lower than in their alternative job. Platform incomes contributed almost 45 per cent to the total incomes of active short-shift workers.

Platform workers were better off on some parameters of working conditions like access to medical insurance and direct deposit of wages, but worse off on others like no paid leave and no pensions.

Platform workers reported that real incomes had gone down over time. For long-shift workers, it had become harder to achieve targets over time due to more traffic and rising competition.

We assessed whether incomes earned from the platform were sufficient to meet monthly household expenses and what has happened to incomes over time. Real incomes of all workers have gone down over time between 2019 and 2021. This is due to inflation as nominal incomes have gone up. The ability to meet monthly expenditures out of the monthly incomes of long-shift workers had also gone down.

1.3.10 Formal or Informal?

Work is formal, the worker is informal. The part that has improved for the worker is that that the job is more formal with a written contract but that does not translate into tangible benefits for the food delivery platform worker. 43 per cent of the workers say that they will definitely recommend it to friends/relatives.

1.3.11 Are Food Delivery Platform Workers Independent, Flexible and Autonomous?

The Code on Social Security 2020 has described a platform worker more as an independent agent than as an employee. For the food delivery sector, we deem this to be appropriate and a good fit.

The food delivery platform worker is somewhere in the middle of the autonomy continuum as per our analysis.

Independence

We asked the food delivery platform workers to choose one attribute of the food delivery platform that they liked the most- 27.9 per cent of respondents chose independence.

Flexibility

While flexibility was deemed important for some workers and liked by some too, the platform itself was moderately flexible. For 16.5 per cent of workers, flexibility is not even a matter of choice but one of survival as they need some source of income.

Control

One distinguishing feature of platform work is algorithmic control of the work and how that changes labour relations. We probed active workers about the degree of "control" that they have over various activities of the platform work described below:.

- You can increase the number of deliveries if you try harder.
- You can improve your rating if you become polite with customers.
- The number of deliveries you make is completely out of your hands. It depends on factors outside your control such as the food delivery app, orders from restaurants, traffic, customers, etc.
- You have to spend a lot of time waiting at restaurants for orders.

The analysis suggests that platform workers were relatively confident about their own initiatives but there were external factors at play. For example, for deliveries, the majority of workers agreed with both the statements that they can increase the number of deliveries if they work harder but the number of deliveries that they make is also dependent on exogenous variables outside their control (increasing traffic and competition have affected their ability to achieve daily and weekly targets, relatively high waiting time for restaurant orders, etc.). Both the initiative of the worker as well as outside factors played a role in the level of control.

Work/Incentive Preferences

We asked active workers about their work/ incentive preferences. Of the total active workers, 48.1 per cent preferred the standard prevailing incentive scheme (task-based delivery charges clubbed with target-based incentives), 26.2 per cent preferred a high delivery charge but no target-based incentives, and 19 per cent preferred a fixed amount. Interestingly, active workers in Tier 3 cities had a preference for a high delivery charge but no target-based incentive. In contrast, active workers in Tier 1 cities preferred the standard prevailing scheme. None of the variables seem to be correlated with this preference variable -- age, education, martial status, status of wage earner, number of dependents or tenure. When we posed this question to inactive workers, they were equally divided between the three choices -- approximately a third of the workers chose each option and 10 per cent did not respond.

Autonomy

We used the Pichault and McKeown (2019) framework to assess whether platform work is indeed autonomous in terms of work status, work content and work conditions. Work status indicates that the food delivery worker is "autonomous", work content is characterised by low autonomy and work conditions are somewhere in-between. In sum, the food delivery worker falls in the middle of the autonomy continuum. The food delivery platform worker definitely needs more support.

1.3.12 Exiting Platform Work

Attrition rates are quite high in food delivery platform work. The average duration of stay in the food delivery platform is only 14.1 months. Therefore workers are not viewing this as a permanent career option. Approximately a third of the workers had no plans to leave the platform.

Higher educated workers, workers experiencing higher stress in platform work and those learning nothing from platform work are more likely to leave. Exiting and re-joining are easy. On average, after exiting workers earn higher incomes and work fewer hours. Therefore, they are better off. However, platform work offers flexibility. It does provide step-up opportunities to workers.

1.4 Summary

The overall question that one has to think about is whether food delivery platforms can offer a sustainable long-term career similar to other occupations as proposed by NITI Aayog. Food delivery platform work definitely offers a stepping stone, a way to upskill and re-skill for workers and performs the function of a social welfare net. However, the analysis suggests that it is fraught with uncertainty if we are to rely on platform work to provide sustained long-term employment. The workers' incomes are vulnerable, similar to a traditional informal sector job. They work longer hours with little or no social security.

Notes

1. Our reported results are based on sample observations. This is because the universe of food delivery platform workers is not available to us. The random sample is based on the actual distribution of workers within the particular platform company -type of workers, city types, etc. (see Appendix A). Consequently, we are reporting results in percentage form and not in actual numbers.
2. The MoF (2015, 2017) classifies cities as 'X', 'Y' and 'Z' to determine the housing rental allowance for Central Government employees. Cities classified as 'X' are Tier 1 cities, typically with a population greater than 5 million (Census 2011 website); there are 8 such mega-cities in the country, which are all included in our sample (Annexure 2). Cities classified as 'Y' are Tier 2 cities, typically with a population greater than 0.5 million but less than 5 million. Cities classified as 'Z' are the remaining cities. As mentioned in Annexure 2, cities with 100 workers or fewer in the food delivery platform were left out of the sampling frame in the first step. Consequently, all 28 cities in our sample have a minimum population of 100,000.

CHAPTER - 2

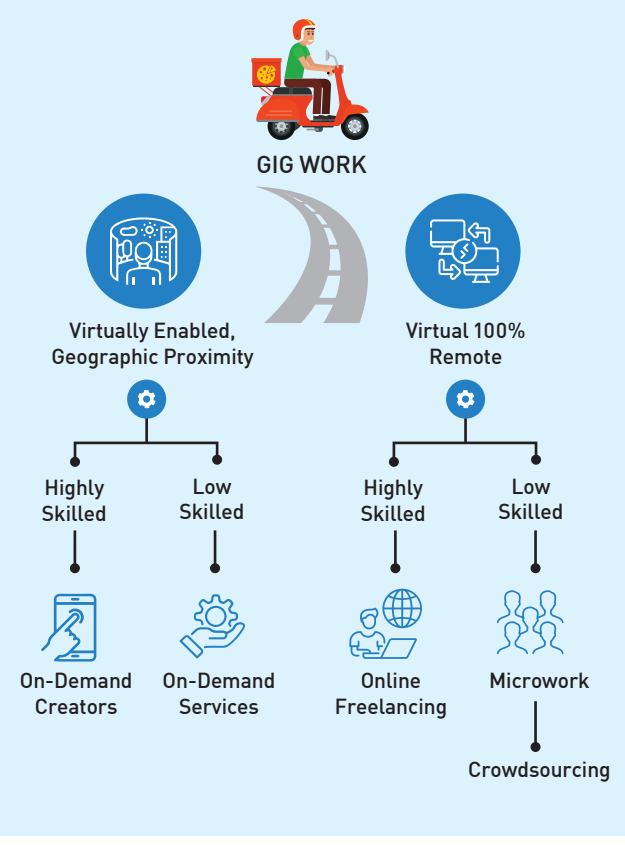
Literature Review

2.1 Introduction

> "The application of big data, new algorithms and cloud computing will change the nature of work and structure of economy but the exact changes will depend on the social, political and business choices that are made."
>
> *Kenney and Zysman (2016, p.1)*

The platform economy has transformative potential. This impact is spread across various aspects of the economy, and by translation to the rest of society. Hence, in only a few years of its existence, the platform economy has led to the development of a vast amount of academic and policy literature. In particular, digitally-enabled economic activities (platforms) are changing the nature and character of work and therefore labour relations. These raise several questions. What is the impact of platforms on workers and the operation of labour markets? Is it more contractual in nature? Is platform work making previously informal work and workers formal? Are platform workers "better off"? Is platform work offering more job opportunities than had previously existed? Are different skill sets required to be a platform worker? Are workers gaining skills by being platform workers? Are they independent workers or employees? Are workers really autonomous? Further, what are the implications for social security? What are the different implications for developed versus developing countries?

Figure 2.1 **Gig Worker Categories – Typology**



Source: Cieslik, Banya and Vira (2021, p. 4) [2].

"Platforms are digital infrastructures that enable two or more people to interact" (Srnicek 2017, p. 43). They act as intermediaries. Cieslik, Banya and Vira (2022) define the gig economy as "short-term labour market activities that are coordinated via digital platforms".[3] Heeks et al. (2017) distinguish between physical and digital gig economy. In the former, work organisation is digitised but it leads to service delivery in a physical location like taxi riders, hotel shares etc. In the latter, both work and work organisation are digitised e.g. microwork, crowdwork, contest-based, online freelancing, etc. (Figure 2.1).[4]

In this report, we focus on food delivery platform workers, i.e., workers that are in the physical gig economy and who provide on-demand services.

2.2 Literature Review

Platform work has raised a lot of debate in the literature starting with the definition of a platform worker. Depending on the definition being used, several studies in India have tried to estimate the size of the platform economy and the number of platform workers. The literature has also looked at the impact of platform work and regulatory issues revolving around it.

2.2.1 Who is a Platform Worker?

Koutsimpogiorgos et al. (2020) classify international definitions of gig workers in two categories – alternative flexible arrangements or online intermediation of worker. On one hand, one set of literature includes all flexible work arrangements as gig work. The alternative literature says that only online intermediary counts because of two reasons –

(i) ratings systems and algorithmic management distinguishes online versus offline intermediation (De Stefano 2015; Duggan et al., 2019; Shapiro 2018; Wood et al., 2019; cited in Koutsimpogiorgos et al. 2020) and
(ii) online platforms replace bilateral with trilateral relationships involving the worker, the service seeker and the platform (Aloisi 2015; De Stefano 2015; Duggan et al. 2019; cited in Koutsimpogiorgos et al. 2020). Adopting the latter definition, ILO (2021) says that 'workers on digital labour platforms are also called "gig workers", "crowdworkers" or "platform workers".

In the United States (US), gig workers are identified based on either work arrangements or tax status or nature of work (types of work that is often performed as gigs, including child or elder care, dog walking, cleaning, yard work, driving or ridesharing, online tasks, and selling or renting out goods, in the past month). Arrangements & activities of gig work include various options –

(i) identification of specific employers;
(ii) primary work only;
(iii) secondary or supplementary work in addition to primary work;
(iv) temp-agency work;
(iv) contract-company work;
(v) self-employed, freelancers, and/or independent contractors;
(vi) standard long-shift work that has features of independent work;
(vii) includes platform-mediated and work arranged in person;
(viii) platform-mediated work only;
(ix) informal work and;
(x) some capital activities (selling/renting) as independent work.

It should be noted here that despite near-universal tax enrolment of temporary workers, measuring gig workers in the US has remained difficult with the overall literature ambiguous in the estimates (Collins et al. 2019; Katz and Kreuger 2019).

A platform worker is defined by four features but there is considerable debate in the literature around these features (Koutsimpogiorgos et al. 2020). The four features are:

- Online versus offline intermediation: Intermediation of the worker can be either offline or online.
- Employee versus independent contractor: Koutsimpogiorgos et al. (2020) point out the basic question is one of 'autonomy' – while some platforms act as bulletin boards, others are more involved in the transaction,

which in turn may be fed back to the matching algorithm. Attempts to define gig workers as independent contractors have failed in United Kingdom and United States courts (Bellan 2022; Lomas 2021).

Whether workers employed on various platforms are actually 'autonomous' is an empirical question. One further needs to be careful with the question of autonomy because that can be confused with flexibility and they are two distinct terms (Reisinger and Fetterer 2021). Autonomy is the choice of the worker to decide how, where and when to produce. Wood et al. (2018) show that algorithmic control is central to the operation of online labour platforms. While there may be autonomy, flexibility etc., the trade-off is low pay, social isolation, exhaustion etc. (Shibata, 2020;Wood et al, 2018).

- Paid versus unpaid: Koutsimpogiorgos et al. (2020) discuss that in the context of gig work, waiting times may not be compensated, search costs incurred by gig workers may not be compensated and platform matching supply and demand for work on a voluntary basis. Uncertainty of payments, low pay makes the debate murky. Schor et al. (2020) find that the extent to which workers are dependent on platform income to pay basic expenses rather than working for supplemental income explains the variation in outcomes, with supplemental earners being more satisfied and higher-earning.
- Goods versus services: Koutsimpogiorgos et al. (2020) point out that the literature differentiates between online labour platforms in the gig economy and capital platforms in the sharing economy. In the latter, people are renting out their assets such as cars and houses. Koutsimpogiorgos et al. (2020) uses the examples of Uber (ride-hailing) versus ride-sharing (BlaBlaCar) to make the point that while the former is taxed, the latter isn't. And as Koutsimpogiorgos et al. (2020) point out, platform workers are also using their inputs and assets to provide a service e.g. ride hailing cab drivers use their own cars to provide services and so do food delivery platform workers. Therefore, they lie somewhere between a pure labour and capital platform. Koutsimpogiorgos et al. (2020;,p. 539) say that 'prices in the gig economy are based on the willingness to pay for a particular service in the form of an ex ante defined task. By contrast, prices paid in the sharing economy are based on the willingness to pay for the asset being rented out, that is, the services that a consumer can extract from having temporary access to a particular asset as a consumer of that good.'

The Code on Social Security (DCSS), 2020 defines gig worker as a 'person who performs work or participates in a work arrangement and earns from such activities outside of traditional employer-employee relationship' and 'platform work as a work arrangement outside of a traditional employer-employee relationship in which organisations or individuals use an online platform to access other organisations or individuals to solve specific problems or to provide specific services or any such other activities which may be notified by the Central Government, in exchange for payment"'(MoLJ 2020). 'Platform worker' means a person engaged in or undertaking platform work (MoLJ 2020). Therefore, the DCSS 2020 combines elements of flexible work arrangements and online intermediation of the work.

Using DCSS (2020), NITI Aayog (2022) estimated that there were 7.7 million gig workers in India in 2020–21 (1.5 per cent of the Indian workforce) and is expected to increase to 23.5 million by 2029–30.[5] Plus, the employment elasticity for gig workers was higher than the overall employment elasticity. Our report answers whether platform work is actually attractive and a sustainable option for addressing issues of structural unemployment.

2.2.2 Worker or Partner?

While platforms label workers as "partners", economists prefer the word, "worker". In this report, we use the latter term. Using the government definition (MoLJ, 2020), we concentrate on labour/worker platforms for the current study. The platform worker is a service provider who offers her services via an online intermediary for the delivery of specific tasks to service seekers as per their needs and convenience. The service provider and service seeker have a market/transaction-based contract with the intermediary (as opposed to a relational one).[6] The platform worker has the following characteristics:[7]

- Task/deliverables-based contract between the service provider and the online intermediary (platform)
- The contract is market/transaction-based and assigns costs of transaction failure risks to the intermediaries.
- The exact nature of the service provided and price for the service are pre-determined by the platform.

Adapting Koutsimpogiorgos et al. (2020) to the Indian context, there are three other characteristics of platform workers in the Indian context – paid employee or independent contractor, low or uncertain payments and formality of work and worker. The first two are empirical questions that need to be answered. The nature of the contract of the platform worker is distinct from that of a standard informal worker in India. The transactional contract makes the work done by a platform worker 'formal' because the task and payments associated with it are pre-decided and all parties know the costs of failure. Here the transaction for work also may have a tax component attached as in food delivery. However, the worker himself/herself remains informal because he/she has neither employer-provided social welfare support (such as pensions and medical insurance), nor a tenure-based job contract, nor access to state pensions. At most, food delivery platform workers may be covered by accident insurance but not comprehensive medical insurance.

2.2.3 Impact of Platform Work

Several studies have reviewed the impact of gig workers on all stakeholders, which include buyers of these services, suppliers (usually workers), their competitors and finally the platforms.

An early view of platforms was that by matching suppliers and buyers more efficiently, and by reducing entry barriers for flexible work, these new work arrangements would create welfare for buyers and the low-skilled workforce which can respond to on-demand signals (Einav et al. 2015).[8] Stanton and Thomas (2021) estimate these benefits in a remote online labour market and find that workers retain 40 per cent of the surplus from the job.

More nuanced views, however, have emerged since then. First, investigations of many platforms place in doubt the claims on flexibility to workers (Kuhn and Maleki 2017; Lehdonvrita 2018). Several transactions between suppliers and buyers, such as setting incentive rates, matching and job allocation on the platform occur centrally through algorithms (Lee et al. 2015; Vallas and Schor 2020). However, algorithmic management reduces supplier's bargaining power, eroding a key advantage of platforms for workers (Einav et al. 2015). Sentiments of platform workers validate this view as those workers who rely on platforms for supplemental income are more satisfied compared to the more dependent ones (Schor et al. 2020). Second, the arguments for efficiency brought about by the platforms overlooks the distribution of efficiency gains. These platforms operate as two-sided markets, where a buyer pays a price to the platform which extracts a service fee and transfers wage to seller (Jullien, Pavan and Rysman 2021). The relative transfer by the platform depends on elasticity on each side of the market. If sellers are inelastic and buyers are elastic, then price and wage would be low—buyers would gain utility at the expense of workers. Third, several studies have also revealed how platform-based markets may encourage discriminatory behaviour (Kakar et al. 2016). One may claim that such behaviour exists outside platform work too. However, platforms collect and reveal substantial personal

information on workers (and buyers), thereby allowing discrimination to take effect more easily.

If the worker finds her bargaining power and earning capacity restricted, would she not exit, thereby disciplining the platform? This argument overlooks the entry and exit barriers that workers face in the labour market. If the outside options for workers are low, then the natural bargaining power for the worker goes away. This problem is further exacerbated by the data-intensive nature of these platforms. By monitoring worker's productivity at a micro-scale and experimenting with the incentive schemes, platforms can extract the worker's surplus more easily than a manager in a traditional employer-employee relationship.

Kumar and Ramachandran (2021) assert that gig/platform work has blurred the lines between formality and informality. In the context of developing countries, it is claimed that platform work actually formalises informal workers (NITI Aayog 2022). NCEUS (2007) defined unorganised workers as 'those working in the unorganised enterprises or households, excluding regular workers with social security benefits, and the workers in the formal sector without any employer/social security benefits provided by the employers.' The dichotomy is that the idea of platform work means that there is no 'fixed' establishment (whether unorganised or organised) where the worker is working. Indian definitions of formality and informality have to be upgraded to take into account the changed nature of work. The current report examines the characteristics of employment to assess whether or not platform work, especially food delivery platform work, is actually formalising workers.

2.2.4 Regulatory Environment for Platforms

So far, no overarching platform-specific regulatory framework exists which serves as a best practice for replication. However, the development of a nuanced view on this subject has, expectedly, invited regulatory interventions. Three types of reactions can be observed.

Initial reactions to negative aspects of platform work appeared as knee-jerk responses by regulators. In several cities, ride-hailing services have faced quantity limits and, in extreme cases, a complete ban. Such interventions, while driven by noble intentions, overlook that the problems of the platform economy are by-products of solutions. Restricting platform economy activity as a blanket ban then may lead to the erosion of a solution which brings us to some other problem.

As the understanding of platform work has matured, so have the regulatory interventions. In the US, some drivers of the ride-hailing app Lyft filed a legal complaint on the grounds that the platform 'controls the manner and means by which all drivers accomplish their work, controls all rates of pay for its drivers, retains the right to discipline drivers in its sole discretion, and restricts drivers' ability to work by permitting them to work only certain hours each day' (Donovan et al. 2016, p. 12). Several other cases highlight that regulatory intervention will be required depending on the nature of the working arrangement between the platform and workers. Factors to be taken under consideration when evaluating work arrangements are the distribution of control between the firm and the gig worker, tenure of the contract, worker's investments in performing the tasks etc. (Donovan et al. 2016).

Finally, some worker-driven attempts have been made across different geographies in an effort to balance power (Gregory 2021; Guest 2021). In particular, these attempts are driven by gig workers themselves in the form of on-ground mobilisation and activism. These attempts have yielded substantial changes such as recognition of the union of Uber drivers in the United Kingdom (Butler 2021). In India as well, the Telangana Gig and Platform Workers Union is demanding improved conditions for gig and platform workers in India (Pradhan and Beniwal 2021).

Platform work provides a new venue to workers in the labour market. This necessitates an exploration into how the new labour market of platform work fits into existing labour

markets and institutions. While there are several frameworks to analyse labour markets, no single model may be adequate to contextualise platform labour markets. Thus, we synthesise several frameworks in the economic literature to understand the food delivery platform market in India.

2.3 Theories of Labour Markets

The conventional neo-classical theory of labour supply analyses a worker as a rational agent who chooses a labour market depending on her opportunity cost of time, incentive structure across options, and the cost of effort in the task allotted. In this framework, incentives rise to compensate for higher effort or conversely effort responds to higher incentives. Further, relative values of incentives against costs determine the entry and exit of workers as well. Thus, in a manner, the neo-classical framework assumes that workers respond friction-lessly to incentives and cost to determine entry and exit into labour markets.

However, the neo-classical framework has been modified over the years to incorporate several nuances. For example, the selection of workers into particular occupational choice occurs due to prior conditions (Banerjee and Newman 1993). This necessitates an exploration of the characteristics of workers who are selecting into this occupation, and how that affects the workforce composition. Similarly, incentive structures do not only serve to induce higher effort but may also attract workers on their risk appetites (Lazear 2000). This is particularly pertinent for gig work where the workers face risky task allocation on a daily basis. Does the current incentive structure push out some workers?

Workers may also face non-monetary risks and costs in labour markets. For example, unruly suppliers and buyers may create additional costs for gig workers which then hinders their production process. To incorporate this, the production function approach has been adopted where the subject is to explore work assignment and managerial capital affecting worker productivity (Lazear, Shaw and Stanton 2015). In the context of platform work, the role of managerial assignment of work has been supplanted by algorithmic task assignment, which may create opacity for workers. Any grievances and enquiries arising out of this transition must be recorded in such a study.

Contractual arrangements between the employer and employee provide another extension to the neo-classical framework. Specifically, a contract reveals to each party the terms of agreements between the worker and firm. However, the data-driven production process of the gig economy relies on experimentation of the incentive structure. The constant tweaking of the payment structure may influence the worker's decision on effort. A study of gig workers must, then, include the perception of workers towards the current incentive structure and their preference for a particular incentive structure.

Finally, workers may face frictions in the exiting stage as well. The classical framework determines a worker's exit when the outside option increases beyond the existing incentives. However, a worker's decision in labour markets may not be a function of spot transactions but existing investments in the current job and future returns to other options. If the existing investments are firm-specific, workers may find it difficult to move as the labour market attaches lower and lower premium to the skills.

However, the impact of platforms on work and platform workers is ambiguous.

2.4 Current Report

Our framework synthesises these different theories to develop the questionnaire. In particular, we look at three facets of labour flows between labour markets. These are Entry-Experience-Exit. While the neo-classical theory assumes that flows are dependent on incentive-cost ratios, we build on other theories to unpack each of these facets.

2.4.1 Questionnaire Development

We designed our questions on the foundation of various theories. Our framework is divided into three major areas with several sections within them. These three areas are (Figure 2.2):

1. Entry: Understanding the selection process may shed light on how the gig work labour market connects with the traditional employer-employee arrangement. We divide this area into two sections of the questionnaire:

a. Past Work Experience: Here we seek information on prior job profiles of gig workers. This will help in understanding the profile and size of the potential labour supply for the platform economy.

b. Entry: This section includes questions on the entry processes for the worker into the platform economy. Substantial evidence suggests the role of networks in the transition of workers (Beaman and Magruder 2012). We seek such information here. We also include questions on entry costs for workers, which may influence the potential workforce into joining or not joining this labour market. This also helps to answer questions about whether the food delivery platform can be considered an employment option on a sustained basis.

Figure 2.2 **Entry-Experience-Exit**

Source: NCAER Conceptualisation.

2. Experience: This area covers four sections that pertain to overall work experience in the gig economy.

a. Work Experience in the Food Delivery Platform: In this section, we cover the monetary and non-monetary value that workers obtain in the platform economy. Questions include not only an estimate of earnings but also periodic fluctuations in these earnings to understand the risk appetite of such workers, the relationship with tenure in the job, expenses, perceptions on changing job situation, etc. This can not only inform economic theories on tenure and productivity (Jovanovic, 1979a, 1979b) but can also throw light on the value of experience in the gig economy.

In addition, this information will help us answer questions about the before and after experience of platform workers and the all-important question of whether they are better-off. There has not been a large-scale survey done across India to assess whether

the workers are better off in terms of not just monetary returns but also work conditions, social security coverage etc.

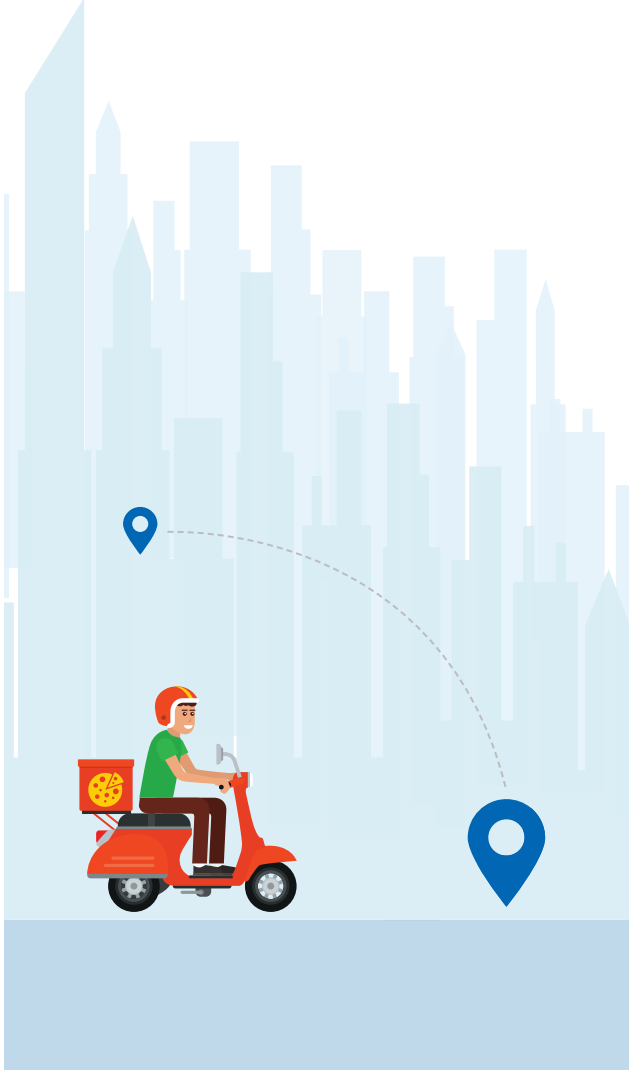
b. Control over Production Function: An important element in any labour market is the degree of control over production that workers can exert. For workers to exercise agency, they need to be able to increase output through effort. To what extent do workers control operations in the gig economy? Do workers' incentives and ratings depend on factors outside their control which essentially leave them with less power? This will help us answer our questions on the autonomy of workers.

c. Preference for Incentives: In most labour markets, the incentive structure between employer and employee is determined prior to the labour market transaction. Contractual agreements keep these incentive structures rigid to reduce risks for both parties. However, on digital platforms, these incentives change periodically. Data generated from such changes provides value to the firm. But do the incentives depart too much from what the worker agreed upon? What is the optimal incentive that worker would prefer? What is the risk-reward preference for workers? We ask such questions in this section.

d. Grievance Redressal: Through our focus group discussions, we obtained several responses on how workers faced issues during work. This provides a reason to develop a section to scope how workers transmit their grievances. This especially comes into importance when we examine the experiences of workers during the Covid-19 pandemic.

3. Exit: A common assumption made regarding many labour market theories is that if workers find conditions and payment non-conducive, they can leave which will put pressure on firms to redress unfair conditions. However, workers may face frictions in transitioning out, which create sub-optimal movements between various labour markets. Further, just as workers select into a labour market based on socio-economic characteristics, exit process may be tempered by similar characteristics. Thus, the workers who exit may be different from the ones who are left behind. We seek to understand the exit process in this section. In particular, we designed a set of questions for the exited/inactive workers of the platform.

Appendix 1 contains the detailed questionnaire.



2.4.2 Survey of Food Delivery Platform Workers

The National Council of Applied Economic Research (NCAER) conducted a telephone survey of 924 food delivery platform workers spread across 28 cities with representation from all city types (Tiers 1, 2 and 3), regions (North, South, East and West), activity status of workers (active and inactive/ exit), tenure of workers in the platform (less than 1 year, 1-2 years and more than 2 years) and engagement type (long-and short-shifts). This was carried out in April and May 2022. Annexure A contains details of the sampling strategy, sample, confidentiality norms followed and the response rates. All the workers belong to one food delivery platform that has national representation.

Notes

1. "Digital platforms are a complicated mixtures of software, hardware, operations and networks. The key aspect is that they provide a set of shared techniques, technologies, and interfaces to a broad set of users who can build what they want on a stable substrate" (Kenney and Zysman, 2016, p.7).
2. "Crowd work where tasks are not given to a specific individual and which is further subdivided into microwork and contest-based. Online freelancing where a more substantial task is given to an identified individual as freelancer." These definitions are from Heeks et al. (2017, p.3).
3. Following the international literature, we use the words 'gig' and 'platform' interchangeably. It is to be noted that in India the words 'gig' and 'platform' have two different meanings.
4. "Crowd work where tasks are not given to a specific individual and which is further subdivided into microwork and contest-based. Online freelancing where a more substantial task is given to an identified individual as freelancer." These definitions are from Heeks et al. (2017, p.3)
5. There are gaps in the methodology to estimate gig workers (Bhandari 2022).
6. The contract between the worker and the intermediary is market/transaction based. The intermediary reduces transaction (search, bargaining & monitoring) costs and bears the burden of transaction failure (Oranburg and Palagashvili 2016). Unlike the traditional informal economy, the intermediary in the platform economy takes the burden of the failure of an exchange between the service provider and service seeker like Ola/Uber. Plus, the intermediary is in a position to verify that the transaction has been completed. The intermediary is not an employer but helps the service provider land paid tasks.

   In contrast, there is a relational contract between a traditional informal worker and a service seeker. Mouzas and Blois (2008) define 'relational contract theory that takes into account all the surrounding circumstances of relationships.' Therefore, a relational contract may either be dictated by norms or by third-party unenforceable parts of the contract. This relational contract becomes self-enforcing due to the mutual trust between the two parties which is formed after repeated interactions (Lazear and Oyer 2012). Examples are our neighbourhood plumber, electrician, etc. If any one of the parties reneges on the commitment in the transaction, the relationship breaks down which can be costly if future transactions are contingent on the success of current transactions. This creates an incentive for each party to follow through on the commitment.
7. Some of the formative ideas were explored in Bhandari et al. (2022).
8. It was also expected that the competition from a flexible workforce would have an adverse effect on traditional suppliers. See Zervas et al. (2017) for a case study of the hoteling industry. Estimating the impact on the traditional employer-employee relationship is beyond the scope of this study.

CHAPTER - 3

Who is the Food Delivery Platform Worker?

3.1 Introduction

This chapter describes how food delivery platform worker are categorised and demographic information on their age, education and skills, financial contribution to the household, migrant/non-migrant status, assets, type of accommodation and use of government welfare benefits.

There were 924 workers in our sample. The majority were male (99 per cent).

3.2 Categorising Workers

3.2.1 Types of Workers

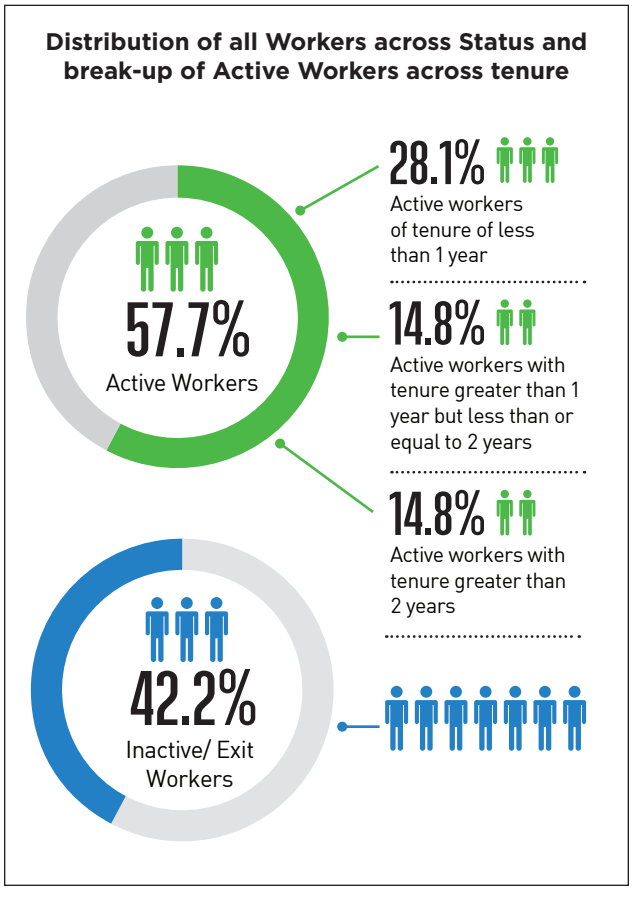
Of the 924 workers, 55.6 per cent were long-shift workers and 44.3 per cent were short-shift workers.

In terms of current job status, workers are considered to be active (working on the platform) or inactive/exited. In the sample, 57.8 per cent were active at the time of the survey in April–May 2022 and 42.2 per cent of workers were inactive/exited.[1]

A third consideration is the length of their tenure on the job. We looked at three levels: less than or equal to one year, greater than one year but less than or equal to2 years, and more than 2 years.

Detailed definitions are available in Annexure A. Figure 3.1 shows the job status of the respondents and the length of tenure for active workers.

Figure 3.1 **Activity and Tenure of Food Delivery Platform Workers**



Source: NCAER Food Delivery Platform Workers Survey 2022.

Of the active workers, 48.7 per cent (28.1 per cent of 924 workers) had a tenure of less than one year, implying that they joined during the pandemic, 25.7 per cent (14.8 per cent of 924 workers) worked for 1 to 2 years, implying that they also joined during the pandemic and 24.7 per cent (14.8 per cent of 924 workers) worked for more than two years, implying they had joined before the pandemic (Figure 2.1).

Workers working for 11-hour slots were labelled as 'long-shift workers' by the food delivery platform. This includes waiting time for between orders and waiting time at restaurants for orders. Others were 'short-shift' workers who worked for either 5 hours or on weekends or special days. Workers chose the shift type at the time of enrolment into the platform.

Of the 924 workers, 55.6 per cent were long-shift workers and 44.3 per cent were short-shift workers. There were differences across workers based on their job status and shift duration)[2]. Among active workers, the share of long-shift workers was relatively higher at 60.7 per cent compared to 39.3 per cent of short-shift workers. In contrast, among inactive workers, the share of long-shift workers was relatively lower at 48.7 per cent compared to 51.3 per cent of short-shift workers.

The average daily hours worked by a long-shift worker in the sample was 10.8 hours and for a short-shift worker it was 5.2 hours.

3.2.2 Spatial Variations

Half the workers in the sample were from Tier 1 cities and the other half from Tier 2/ Tier 3 cities (Figure 3.2a).[3] This is by design and mirrors the food delivery platform's footprint where 40 per cent of workers are based in Tier 2 and Tier 3 cities. 18.7 per cent of workers were from the North and the East (each), 30.6 per cent from the West and 31.9 per cent from the South. The West and the South have three Tier 1 cities each, while the North and the East have only one Tier 1 city each.

Figure 3.2a **Workers by Type of City**

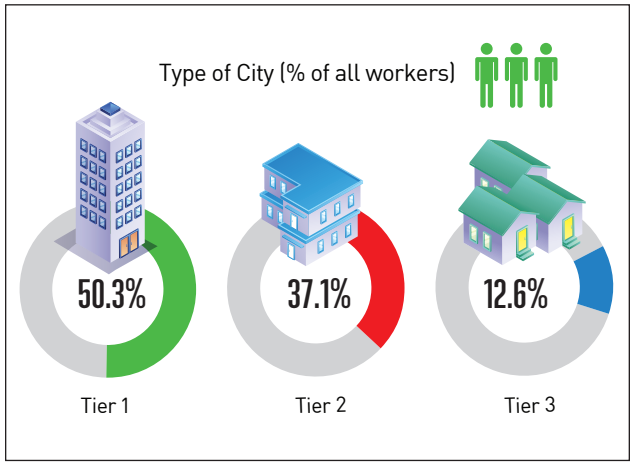
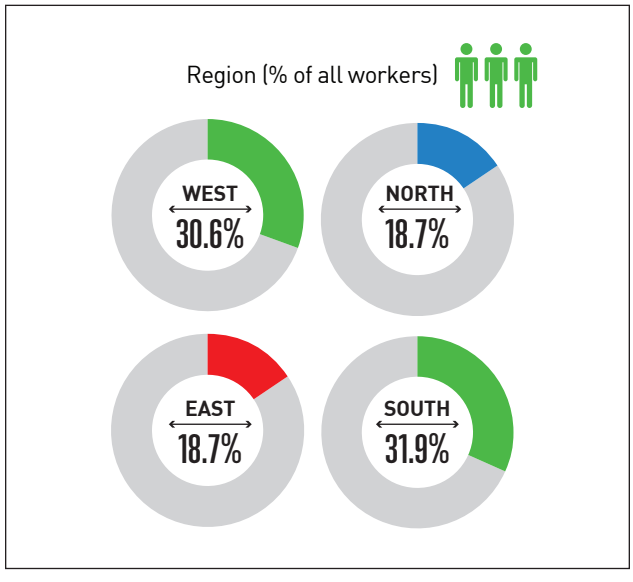


Figure 3.2b **Workers by Region**



Source: NCAER Food Delivery Platform Workers Survey 2022.

3.3 Background of the Workers

3.3.1 Age-wise Distribution

Insight: The average delivery worker is slightly older than urban male youth (aged 18 to 29), but younger than male urban workers (aged 18+).

The average age of all workers is 29.1 years, for active workers it is 29.5 and for long-shift active workers it is 29.9. The average age of all workers in Tier 1 cities is 29.4, Tier 2 is 28.7 and Tier 3 is 29.2.The age-wise distribution of all workers and active workers is shown in Table 3.1. The PFLS 2021–22 data shows that the average age of all urban male workers (age 18+) is 39.9 and urban male youth workers (age 18 to 29) is 24.6.

Table 3.1 Age-wise Distribution of Workers in NCAER Survey 2022

Age group	All workers	All active workers
18-24	28.9	27.5
25-30	36.5	35.0
31-35	17.7	18.4
36-40	9.6	10.7
>40	7.3	8.4

Source: NCAER Food Delivery Platform Workers Survey 2022.

3.3.2 Education and Skilling

Insight: The average delivery worker is better educated than the average urban male. Almost 40 per cent of Tier 2 city delivery workers are college graduates.

The median education level of all workers is Class XII. In the PLFS 2021–22, 55.7 per cent of urban male workers had education levels of secondary and above (NSO 2023). In contrast, 93 per cent of workers in the NCAER Survey had education levels of secondary and above. The values for Tier 1, Tier 2 and Tier 3 cities were 94.2 per cent, 95.6 per cent and 87.9 per cent, respectively (Table 3.2).

Table 3.2 Workers by Education Category in NCAER Survey 2022

S.No.	Education Level	All Workers	Tier 1	Tier 2	Tier 3
1.	Illiterate	0.1		0.3	
2.	Literate without formal schooling				
3.	Below Class V	0.2	0.2	0.3	
4.	Completed Class V	1.1	0.9	0.9	2.6
5.	Completed Class VIII	4.8	5.0	2.9	9.5
6.	Completed Class X	21.5	26.0	14.9	23.3
7.	Completed Class XII	24.1	22.6	27.1	21.6
8.	Completed Technical Education below graduate level (below Bachelors)	7.6	7.3	7.3	9.5
9.	College dropout	2.6	2.2	3.5	1.7
10.	Graduate and above	32.7	28.8	39.4	28.5
11.	Technical graduate	3.6	5.2	2.0	1.7
12.	Vocational graduate	1.3	1.7	0.6	1.7
		100	100	100	100

Source: NCAER Food Delivery Platform Workers Survey 2022.

Slightly more than a third of the workers had a graduate degree but this number rose to 39.7 per cent in Tier 2 cities. 12.5 per cent of workers had a technical & vocational degree/diploma. The corresponding figures for long-shift and short-shift workers were 11.7 per cent and 13.4 per cent, respectively.

We adapt the Bhattarcharya, Bhandari and Bairagya (2020) framework for a measure of skills which combines three types of education in India: general, technical and vocational. The four categories of skilled work are: (i) low skilled (anyone with an education below Class V and no vocational education); (ii) low-medium skilled (completed Class X); (iii) high-medium skilled (either completed Class XII, college dropout or completed technical education below graduate level) and; (iv) high skilled (graduate degree and above or has completed graduate-level technical or vocational education). Using this categorisation, the point is driven home that there is a skill mismatch with 34.3 per cent of the workers falling in the high-medium skill category and 38 per cent in the high-skill category (Figure 3.3). These match international trends (ILO 2021) and suggest that a third or more of the food delivery platform workers may be overqualified for the job.

Figure 3.3 **Workers by Skill Category, NCAER Survey 2022**

	All Cities	Tire 1	Tire 2	Tire 3
Low Skilled	0.3%	0.2%	0.6%	0.0%
Low-Medium Skilled	27.4%	31.8%	18.7%	35.3%
High-Medium Skilled	34.3%	32%	37.9%	32.8%
High Skilled	38%	35.9%	42.9%	31.9%

Source: NCAER Food Delivery Platform Workers Survey 2022.

Further, there are distinct differences between active and inactive workers. Within active workers, there is a relatively more equal distribution across level of skills. In contrast, within inactive workers, the distribution is skewed towards high-skill workers. The shares of low skill, low-medium, high-medium and high-skilled active workers are 0.2 per cent, 29.6 per cent, 38.8 per cent and 31.5 per cent, respectively. The corresponding figures for inactive workers are 0.5 per cent, 24.4 per cent, 28.2 per cent and 46.9 per cent, respectively. There are two implications of these results. First, platform work acts as a stop-gap arrangement for workers. The second implication is that there is a self-sorting process at work with high-skilled workers leaving platform work, probably because of more outside opportunities. We test these implications in later chapters.

There are also spatial variations. There are no low-skilled workers in the East and West. The share of low-medium skilled workers in the East is 33.5 per cent, high-medium skilled is 28.3 per cent and high skilled is 38.2 per cent. The corresponding numbers for West are 26.5 per cent, 36.4 per cent and 37.1 per cent, respectively. In the North, the share of low-skilled workers is 1.2 per cent, low-medium skilled is 19.1 per cent, high-medium skilled is 38.2 per cent and high-skilled is 41.6 per cent. The corresponding numbers in the South were 0.3 per cent, 29.5 per cent, 33.6 per cent and 36.6 per cent, respectively. The skill mismatch is the lowest in the South and the highest in the North.

3.3.3 Earning Status in Household

Insights: A large proportion of workers were the sole or primary wage earners in their family.

The average household size is 4.8 for all workers and 4.9 for active workers. The former is marginally higher than the All-India average household size of 4.2 in 2021–22 (NSO 2023). The corresponding numbers for rural and urban were 4.4 and 3.8, respectively (NSO 2023).

Overall, each worker in the survey has an average of 2.9 dependents. The corresponding figure for active workers is 3.1. The majority of the workers were either the only wage earner or primary wage earner (Table 3.3).

Table 3.3 Earning Status of Worker in the Household

	All	Tier 1	Tier 2	Tier 3
Only wage earner	43.7	41.9	45.5	45.7
Primary wage earner	20.6	23.4	17.5	18.1
Secondary wage earner	33.4	31.8	35.3	34.5
Other	1.4	2.4	0.3	0.9
Missing	0.9	0.4	1.5	0.9
Total	100.0	100.0	100.0	100.0

Source: NCAER Food Delivery Platform Workers Survey 2022.

3.3.4 Are Food Delivery Platform Workers Migrants?

Insights: Almost 70 per cent workers were non-migrants working in their home towns.

The majority of workers in the survey were non-migrants; 68.9 per cent of the workers were working in their home towns (Table 3.4). It is not surprising that the share of migrants was the highest in Tier 1 cities, and the lowest in Tier 3 cities. Surie and Sharma (2019) found that the Ola and Uber platforms provided employment to climate-displaced rural workers in Bengaluru. In contrast, the NCAER survey found that the majority of food delivery platform workers from Bengaluru identified the city as their home town; 69.7 per cent of workers in Bengaluru responded that they were working in their home city, 11 per cent identified their hometowns as less than 50 km away and 12.4 per cent were migrants. Only 1.5 per cent of workers in Bengaluru had a Mahatma Gandhi National Rural Employment Guarantee Card confirming that the food delivery workers were not rural migrants.

Table 3.4 Home versus Migrant Workers (% of all Workers)

	All	Tier 1	Tier 2	Tier 3
Working in home town	68.9	67.1	69.1	75.9
Home town less than 50 km away	6.2	3.9	7.0	12.9
Home village less than 50 km away	6.8	2.8	10.8	1.7
Same State but hometown more than 50 km away	11.5	13.8	9.6	7.8
Other State	7.3	12.0	2.6	1.7
Not reported	0.5	0.4	0.9	
		100.0	100.0	100.0

Source: NCAER Food Delivery Platform Workers Survey 2022.

Interestingly, 17.8 per cent in Tier 2 and 14.6 per cent of workers in Tier 3 cities were coming from homes that were less than 50 km away. In our Focus Group Discussion (FGD) in Panipat, we were informed that several platform workers were coming from nearby towns/villages to work in the city.

The share of all workers sending money home as and when required was 19.6 per cent and for active workers was 21.5 per cent. Further, 62.8 per cent of migrant workers were sending money home.

3.3.5 Type of Accommodation

Insights: 45 per cent of workers lived in their own homes. The figure was as high as 70.7 per cent for Tier 3 cities.

While 45 per cent of the workers were staying in their own houses (either own or family homes where they did not have to pay rent) and 48.3 per cent in rented houses, there were spatial variations (Table 3.5). The share of workers living in their own homes was the lowest for Tier 1 cities, but in Tier 3 cities it was as high as 70.7 per cent. The other main option is rented accommodation; so, on the flip side 52.9 per cent of workers in Tier 1 cities and 50.2 per cent in Tier 2 cities were living in rented accommodation, whereas in Tier 3 cities only 24.1 per cent lived in rented houses.

Table 3.5 Type of Accommodation (% of all Workers)

Type of Stay	All workers	Tier 1	Tier 2	Tier 3
Own house	44.9	39.1	44.0	70.7
Rented house	48.3	52.9	50.2	24.1
Shared rental	3.3	5.2	0.9	2.6
Friends/Relatives	1.7	1.3	2.6	0.9
Other	0.8	0.7	0.6	1.7
Not reported	1.1	0.9	1.8	
Total	100.0	100.0	100.0	100.0

Source: NCAER Food Delivery Platform Workers Survey 2022.

3.3.6 Assets

Insights: Most platform workers were part-owners of household assets

Family (household) house and a personal vehicle are the two most common assets held by workers in the survey. The main difference is between active and inactive workers. The share of inactive workers holding house, land and other assets is higher than the shares of active workers. The significant exception is vehicles. While 75.7 per cent of workers reported owning a vehicle in the survey, there were differences between active (86 per cent) and inactive (61.5 per cent) workers (Table 3.6).

Table 3.6 Ownership of Assets (% of all Workers)

Type of Asset	All			Tier 1			Tier 2			Tier 3		
	All	Act	Inact	All	Act	Inact	All	Act	Inact	All	Act	Inact
Personal house	13.6	12.0	15.9	13.8	11.0	17.6	14.6	15.3	13.6	10.3	6.1	16.0
Personal land	6.1	5.8	6.4	4.5	3.7	5.7	8.2	9.7	6.1	6.0	3.0	10.0

(Contd.)

Table 3.6: Contd.

Type of Asset	All			Tier 1			Tier 2			Tier 3		
	All	Act	Inact	All	Act	Inact	All	Act	Inact	All	Act	Inact
Personal vehicle	75.7	86.0	61.5	75.7	84.9	62.7	74.6	87.2	57.8	78.5	86.4	68.0
Personal others	3.7	3.0	4.6	0.2	0.4	0.0	5.0	3.1	7.5	13.8	13.6	14.0
Household house	49.2	51.1	46.7	45.6	47.8	42.5	49.9	50.5	49.0	62.1	66.7	56.0
Household land	21.8	21.9	21.5	20.0	20.6	19.2	27.7	26.5	29.3	11.2	13.6	8.0
Household vehicle	31.4	29.6	33.9	25.6	23.2	29.0	37.9	37.2	38.8	35.3	33.3	38.0
Household others	10.4	101	10.8	2.4	2.2	2.6	16.9	16.8	17.0	23.3	22.7	24.0

Source: NCAER Food Delivery Platform Workers Survey 2022.
Note: Act=Active Workers; IA=Inactive Workers.

3.3.7 Government Welfare Benefits

The government offers a few welfare benefits, the primary one being subsidised food grain called rations. At least 61.9 per cent of the workers received rations. This number is higher for Tier 1 and Tier 2 cities relative to Tier 3 city workers and more active workers received rations than inactive workers (Table 3.7). Outside of food rations, the majority of workers received no benefits. Notably 63 per cent of workers from Andhra Pradesh (Hyderabaland Vizianagaram) and 70.7 per cent of workers in Kolkata had a State Health card or access to state health insurance.

Table 3.7 Government Welfare Benefits (% of Respondents)

Type of Benefit	All			Tier 1			Tier 2			Tier 3		
	All	Act	IA	All	Act	IA	All	Act	IA	All	Act	IA
Received rations at current city or hometown	61.9	64.8	57.7	62.4	66.5	56.5	63.0	64.8	60.5	56.0	57.6	54.0
Has an Ayushman Bharat account/ card	12.2	13.1	11.0	8.2	8.5	7.8	13.1	15.8	9.5	25.9	24.2	28.0
Has a State health card	11.5	13.5	8.7	16.8	20.2	11.9	6.7	6.6	6.8	4.3	6.1	2.0
Has an MGNREGA card	1.4	1.9	0.8	0.7	0.7	0.5	1.5	1.5	1.4	4.3	7.6	0.0

(Contd.)

Table 3.7: Contd.

Type of Benefit	All			Tier 1			Tier 2			Tier 3		
	All	Act	IA	All	Act	IA	All	Act	IA	All	Act	IA
Registered on e-Shram Portal	7.1	6.7	7.7	3.4	4.4	2.1	8.8	7.1	10.9	17.2	15.2	20.0
Atal Pension Yojana	4.0	4.5	3.3	6.5	6.6	6.2	1.8	3.1	0.0	0.9	0.0	2.0
Below Poverty Line Card Holder	16.6	19.5	12.6	18.7	23.2	12.4	10.2	11.7	8.2	26.7	27.3	26.0
Antyodaya Card Holder	0.3	0.4	0.3	0.7	0.7	0.5	0.0	0.0	0.0	0.0	0.0	0.0
Other	2.3	1.9	2.8	1.1	1.1	1.0	3.5	1.5	6.1	3.5	6.1	0.0
No benefits	56	53.2	59.7	56.1	51.5	62.7	59.5	60.2	58.5	55.2	39.4	52.0

Source: NCAER Food Delivery Platform Workers Survey 2022.

Note: Act=Active workers; IA=inactive workers.

3.4 A Food Delivery Platform Worker In India

Insight: The food delivery platform worker on average works 27.8 per cent longer than the average urban youth male worker. But he also generated 59.6 per cent more income than him. However, after accounting for fuel costs, the increase in income reduces to 5 per cent.

The average food delivery platform worker in India is a 29.1-year-old male living in a Tier 1 or Tier 2 city who has a Class XII education and owns his own vehicle. The food delivery platform worker is closer to urban youth than an all-urban male population – older at 29 compared to 24 (average urban youth male) and with the same average education level. However, the share of educated workers is much higher for platform workers (whether active or inactive/exited) than the average youth urban male. These numbers correspond to the international evidence presented in ILO (2021). The NCAER survey numbers match the ILO results (Table 3.8).

The food delivery platform worker is working for more hours in a day and earning more consequently. The most telling is the number of hours worked for a short-shift platform worker who is working 82 hours in a week- 30 hours on the platform and 52 hours on their other job. Clearly, traditional jobs are not paying enough that the worker is seeking out platform work. And that takes us directly into the next chapter where we explore why workers are entering platform work and if there any barriers to entry.

Both the NCAER survey and ILO (2021) find that hourly earnings for an average food delivery platform worker was US$1.1. The food delivery worker is earning a higher income than the average worker in India. The survey indicates that food delivery platform workers have no paid leave or any employer-based social security support (barring accident insurance).

We also compared food delivery platform workers with their comparable demographic group with similar background characteristics- urban male youth (age 18 to 35) workers with at least higher secondary education (Class XII). We find that platform workers were earning lower (Rs 20, 744 per month) than their peer group (Rs 22,494 per month) covered in the PLFS 2021–22. The peer group was working on an average 56 hours in a week compared to long-shift platform workers (69.3 hours). In effect, platform workers were working 23 per cent more than their peers and earning 8 per cent less than them.

Table 3.8 Indian Food Delivery Platform Worker

Indicator	Indian Urban Male Worker (18+), 2021–22	Indian Urban Youth Male Worker (18 to 29), 2021–22	Food Delivery Platform Worker, 2022	International (ILO, 2021)
Average Age	39.9	24.6	29.1 (median is 28)	Majority of workers < 35 years
Average Education	Class X	Class X	Class XII	N.A.
% of workers who have secondary education (Class X) and above	55.7	62.8	93.5%	Average education of app-based workers is higher than their traditional counterparts
% of workers who are currently married	76.9	32.2	50.2	N.A.
Unemployment Rate (%)	5.9	15.6	N.A.	N.A.
Only wage worker in the household (%)	N.A.	N.A.	45	30% of respondents identified online work as their primary source of income. This number was 44% for developing countries.
Regular/Salaried workers (% of workers)	46.2	57.2	N.A.	N.A.
Self-employed (% of workers)	39	27.6	100#	N.A.
Workers who had a written job contract (% of all male workers; not including self-employed)	31.4	26.7	Task-based contract 100#	N.A.
Workers with employer-provided social security (provident fund/ pension, healthcare, gratuity etc.) (% of male workers; not including self-employed)	37.8	32.4	100 (Only accident insurance)#	Varies

(Contd.)

Table 3.7: Contd.

Indicator	Indian Urban Male Worker (18+), 2021–22	Indian Urban Youth Male Worker (18 to 29), 2021–22	Food Delivery Platform Worker, 2022	International (ILO, 2021)
Workers who had paid leave (% of all male workers; not including self-employed)	40.8	36.1	Nil#	N.A.
Average hours worked in a day (hours)š	N.A.	N.A.	Long-shift platform workers: 10.8# Short-shift platform workers: 13.7# (Platform – 5 Other job- 8.7)	N.A.
Average days worked in a week			Long-shift workers: 6.4# Short-shift workers: 6.0#	N.A.
Average hours worked in a week	Overall: 55 Self-employed: 56.1 Regular/salaried workers: 59.1 Casual Wage Workers: 38	Overall: 54 Self-employed: 53.1 Regular/salaried workers: 58.9 Casual Wage Workers: 37.9	Active long-shift workers: 69.3# Active short-shift workers: 82.3# hours (30.1 on platform & 52.2 hours on their other job)	59
Average monthly earnings (Rs)	Overall: 18, 600 Self-employed: 17,335 Regular/salaried workers: 22,728 Casual Workers: 8,639	Overall: 13,000 Self-employed: 9,354 Regular/salaried workers: 16,058 Casual Wage Workers: 8,105	Gross income of active long-shift workers: 20, 744.2# (Hourly earnings: US$.1.1)^ and net (gross income -fuel costs) income is Rs 13,581. Active short-shift workers: 29,149 Platform: 12,149* Non-platform: 17,000*	Hourly earnings: US$1.1

Sources: NSO (2023), NCAER Survey of Food Delivery Platform Workers 2022 and ILO (2021).

Notes:

š Anecdotally, in the informal labour market in India, the average hours worked is 12 hours.

* Both platform and non-platform incomes for short-shift workers are for 2022 only.

^ The average of Rs/US$ for the period 2018–19:Q4 to 2021–22:Q1 was used for conversion. Rs 73.3 per US$.

3.5 Summary

The food delivery platform worker in India has the following key features:

- He is a male.
- Not a migrant. Lives at home or near home.
- Educated, especially in small towns.
- Sole provider.
- Job pays well, though the hours are longer. He is in it for the money?

The average delivery worker is slightly older than urban youth, but younger than urban workers. The average delivery worker is better educated than the average urban male. Almost 40 per cent of Tier 2 city delivery workers were college graduates. 43.7 per cent workers were the sole wage earner in a family, 20.6 per cent were primary wage earners and 33.4 per cent were secondary wage earners. Almost 70 per cent workers were non-migrant, and were working in their own hometowns. 45 per cent workers lived in their own homes; this figure was as high as 70.7 per cent for Tier 3 cities. At least 61.9 per cent of the workers received rations.

The food delivery platform worker on average works 27.7 per cent longer than the average urban youth male worker. But he also generated 59.6 per cent more income than him. However, after accounting for fuel costs, the increase in income reduces to 5 per cent.

Notes

1. A delivery worker who has been working with the platform is considered an Active Delivery Worker, and continues to remain in Active status for 180 days (120 for Bengaluru) from the last login date. 180 days after the last login date, the worker is labelled 'Inactive'. When the worker has formally submitted his resignation requests and the full and final settlement has been done, the delivery worker is marked as 'Exit'.
2. Among workers with tenure less than one year, the share of long-shift workers was 51.1 per cent. The corresponding figures for workers with tenure of one to two years and more than two years were 61 per cent and 63 per cent, respectively.
3. The share of urban population is estimated to be 34.8 per cent in 2022 (MoHFW 2020). The urban population in India lives in cities, towns etc. The Periodic Labour Force Survey (PLFS) 2021–22 shows that of the total adult (18+) male population, the share of urban is 30.2 per cent (NSO 2023). The labour force participation rate among adult urban males is 79.5 per cent. The workforce participation rate (share of employed among total urban adult male population) is 75.1 per cent. Sahu and Bhandari (2023) show that we cannot measure labour force participation rate, unemployment etc. at the city-tier level. Therefore, we only used urban aggregates at the national level.
4. Sahu and Bhandari (2023) point out that one cannot classify general employment across city tiers due to measurement issues in the Periodic Labour Force Survey data.
5. In all likelihood, it is a combination of both demand (lack of jobs) and supply (poor quality of education) issues that is driving this mismatch (NCAER 2018).

CHAPTER - 4

Why Join a Food Delivery Platform?

4.1 Introduction

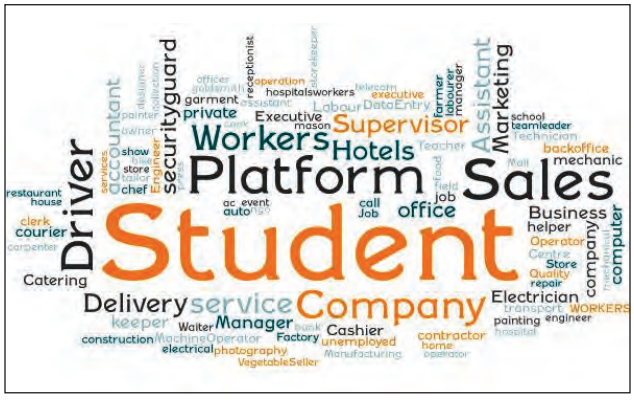
This chapter examines why workers enter a food delivery platform and the entry requirements for the job. The purpose is to asses the impact of the platform on labour markets. If platform work is to be scaled up (NITI Aayog 2022), how can we train our workers for that work?

4.2 What were you doing before joining the Food Delivery Platform (long-shift workers) or are doing Alongside Food Delivery?

The people who have joined the platform are highly-skilled (93.5 per cent of workers have a secondary school education and above) and have prior work experience, but they come from different backgrounds and occupations. There were accountants, auto drivers, artisans, businessmen, cashiers, chefs, cooks, drivers, delivery boys, farmers, police, waiters, teachers, electricians, the head of a polytechnic institute, storekeepers, shop workers, students, tailors, people who did embroidery, designers in boutiques, a High Court peon, hospital workers, NGO workers, photographers, painters, migrants from the Middle East, people who had worked in hotels, companies, marketing and the government in various capacities etc. The relative prominence of occupations in Figure 4.1 is proportional to their frequency in the sample.

A 25-year-old unmarried graduate (with certifications in both IT and retail) in a Tier 1 city worked in the food delivery platform on a short-shift basis to defray college expenses. Alongside, he worked in catering, which paid more. His father, a labourer, was the primary wage earner. Despite being the secondary wage earner, the worker's family of four was dependent on him for his earnings. The worker received his bicycle through his school and then delivered food using the that. He used a smartphone from his older brother. After he left the food delivery platform, he bought a two-wheeler in his own name. Despite his education and work background, he had not yet landed another job at the time of the interview. Since there were not enough orders from one platform, he worked across several platforms. This worker had signed up for a short-shift slot.

Figure 4.1 Occupations/Activities before Joining the Platform for Long-shift Workers and Alternative Occupations of Short-shift Workers



Source: NCAER Survey of Food Delivery Platform Workers 2022.

Overall, students formed the largest category of respondents (21.2 per cent). Among all the respondents, for 23.8 per cent, the platform was their first job and of that 88 per cent were students. Percentage of workers who were studying only in their previous engagement in Tier 1, Tier 2 and Tier 3 cities were 15.9 per cent, 26.2 per cent and 25.9 per cent respectively.

The majority of workers were in temporary/casual jobs before joining the platform. They had either switched to the platform completely or continued working in these jobs while working on the platform (Table 4.1). There was a small share of workers who were working on two delivery platforms simultaneously (3.8 per cent; Table 4.2) but not on two food delivery platforms.

Table 4.1 Long-shift Workers' Activity Status before Joining the Platform

Background before joining the platform	Per cent of long-shift workers		
	All	Active	Inactive
Self-employed in non-agriculture	6.8	8.0	4.7
Regular/Salaried	8.6	8.3	9.0
Temporary/Casual	55.5	59.9	47.9
Working on another platform	6.2	7.1	4.7
Self-employed in agriculture	0.4	–	1.1
Studying and working	0.2	0.3	–
Studying only	18.9	13.6	28.8
Not doing anything	3.5	2.8	4.7

Source: NCAER Food Delivery Platform Workers Survey 2022.

Table 4.2 Active Short-shift Workers' Activity in Other Job

Active Short-shift Workers' Other Job	Active Short-shift workers (%)
Self-employed in non-agriculture	3.3
Regular/salaried	8.6
Temporary/casual	55.7
Working on another platform	3.8
Self-employed in agriculture	0.5
Studying and working	0.0
Studying only	13.3
Not doing anything	0.0

Source: NCAER Food Delivery Platform Workers Survey 2022.

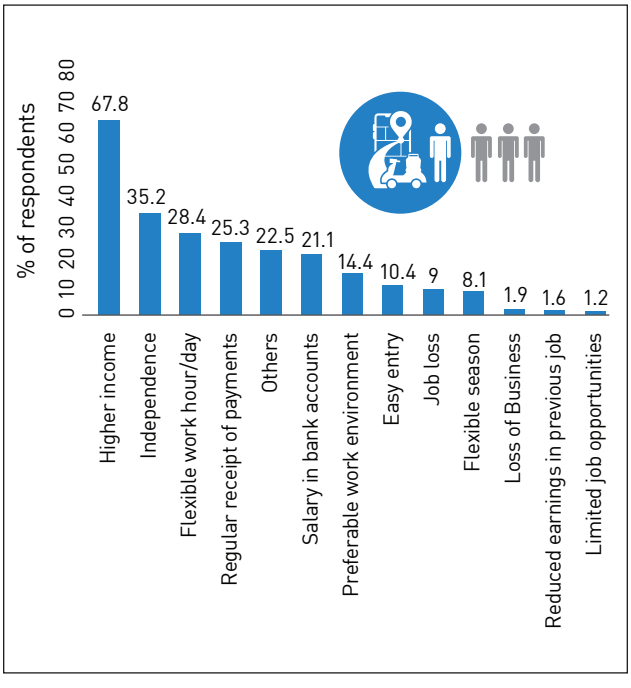
Among the 3.5 per cent of long-shift workers, the majority were 'not doing anything', majority were not even searching for a job prior to joining the platform. Jeffrey (2010) describes it as 'timepass' where youth are 'waiting' in North India. During the Focus Group Discussion in Panipat, one worker did respond that along with platform work they were preparing for government jobs. So does platform work turn Indian youth towards a more productive path where they continue to 'wait' but earn at the same time? The answers will be explored in Chapter 7 in the Exit chapter.

4.3 Why did you Join the Food Delivery Platform?

4.3.1 Overview of Reasons for Joining

Insight: The majority of workers (67.7 per cent) responded that they joined the platform because it offered higher or additional income (Figure 4.2).

Figure 4.2 Reasons for Joining Food Delivery Platform (% share of Respondents)



Source: NCAER Food Delivery Platform Workers Survey 2022.

After migrating to a Tier 1 city, a 26-year-old unmarried college dropout worked as a cashier in a restaurant for six years until he had an accident on the job. When he was refused any kind of medical assistance, he switched to food delivery platform work. Not only has his average income been higher than in his previous job, but it has also been beyond his expectations. He plans to continue working in the platform. The best part was that the platform gave him accident insurance.

Even among students, 65 per cent responded that they joined the platform for a higher income. The other reasons given were secondary: independence, flexibility, regular receipt of payments and receipt of payments in bank accounts. Unemployment was another reason; 9 per cent of respondents responded with 'job loss' as a reason for joining. Although 31.6 per cent responded that they were unemployed before joining the platform, they did not cite it as a reason for joining.[1] The average duration of unemployment before joining the platform was 5.4 months. We examine individual reasons across city tiers, status and engagement to assess differences.

A 24-year-old unmarried migrant worker in a Tier 1 city said that he looked for a job for two years before ultimately joining the platform. There was no option since he could not find a job. Further, he was passing his time like a 'normal bachelor'. He knew cycling and so started cycling and delivering food to earn money. He also bought a second-hand bicycle.

4.3.2 Higher Income

The majority of respondents cited higher or additional income as the reason for choosing platform work (Table 4.3). Among active short-shift workers, 43.8 per cent cited additional income as the reason for joining platform work.

Table 4.3 Higher Income as a Reason for Joining the Food Delivery Platform (% of Respondents)

City Tier	All	Long-shift	Short-shift	Status	% of respond-ents
Tier 1	65.4	67.9	62.0	Active (long-shift)	75.3
Tier 2	71.7	70.9	72.7	Active (short-shift)	82.4
Tier 3	65.5	65.7	65.3	Inactive	53.6
All	67.8	68.7	66.6	All	67.8

Source: NCAER Food Delivery Platform Workers Survey 2022.

Note: The chi-square test indicates that 'higher or additional income' as a reason to join food delivery platform does not have a statistically significant relationship with type of city but has one with type of engagement (long-shift/short-shift).

4.3.3 Independence

By 'independence' workers mean that there is no fixed boss they were answerable to and no fixed place they had to go to every day. They could work as and when they wanted. Pichault and McKeown (2019) articulate that the two terms – independence and autonomy – have different meanings. While the former term means 'rejection of rules and regulations', the latter means the state of being 'self-governed'. In this question, the workers interpreted the word 'independent' as 'autonomous'. We explore questions around independence and autonomy more in detail in the sixth chapter.

Slightly more than half the respondents in Tier 3 cities cited 'independence' as a reason to join platform work (Table 4.4). From Chapter 3, we know that 75 per cent of Tier 3 city workers were working in their home towns (Table 3.4) and 70.7 per cent are living in their own houses. However, only 35 per cent of Tier 3 city workers were not primary wage earners.

Table 4.4 Independence as a Reason for Joining the Food Delivery Platform (% of Respondents)

City Tier	All	Long-shift	Short-shift	Status	% of Respond-ents
Tier 1	32.7	39.2	24.0	Active (long-shift)	42.0
Tier 2	31.8	36.3	26.7	Active (short-shift)	30.5
Tier 3	55.2	52.2	59.2	Inactive	32.1
All	35.2	39.9	29.3	All	35.2

Source: NCAER Food Delivery Platform Workers Survey 2022.

Note: The chi-square test indicates that 'independence' as a reason to join food delivery platform has a statistically significant relationship with type of city.

In the Focus Group Discussion (FGD) in Panipat, the respondents said that they liked going around the city on their two-wheelers and they were 'free' with 'no boss' to answer to. Is platform work catering to that need for independence and freedom? When we examine data from Tier 3 cities by region, we find that none of the workers from Tier 3 cities in the North had actually chosen 'independence' as a reason to join platform work. (Higher income was the main driving factor as documented above.) Overall, also there are no statistically significant effects for independence across regions.

A 34-year-old married post-graduate food delivery platform worker from a Tier 2 city is happy working with the food delivery platform. The main advantage is that 'we are the boss'. The harder one works, the more money one earns.

4.3.4 Flexible Work/Hour and Season[3]

About of a third of the workers cited flexible work hours/days as a reason for joining the platform but this was higher for Tier 3 city workers (Table 4.5). Overall, the share of workers choosing flexible seasons as a reason to join platform work was relatively low. The share was relatively higher for Tier 3 city workers.

The relatively low share of workers (8.1 per cent) choosing 'flexible season' indicates that seasonal workers from rural areas do not work in the platform sector. As documented in Chapter 2, the share of workers with an MGNREGA card was low at 1.4 per cent and the share of migrant workers is also low.

Table 4.5 Flexible Work/Hour and Season as a Reason for Joining the Food Delivery Platform (% of Respondents)

City Tier	All	Long-shift	Short-shift	Status	% of Respond-ents
Flexible work hour/day					
Tier 1	27.1	31.3	21.5	Active (long-shift)	36.1
Tier 2	24.8	28.0	21.1	Active (short-shift)	28.6
Tier 3	44.0	46.3	40.8	Inactive	21.8
All	28.4	32.1	23.7	All	28.4
Flexible season					
Tier 1	8.6	12.1	4.0	Active (long-shift)	16.7
Tier 2	6.1	6.6	5.6	Active (short-shift)	10.0
Tier 3	12.1	14.9	8.2	Inactive	0.0
All	8.1	10.5	5.1	All	8.1

Source: NCAER Food Delivery Platform Workers Survey 2022.

Note: The chi-square test indicates that flexible work/hour has a statistically significant relationship with city tier and type of engagement (long-shift/short-shift). However, flexible season does not have a statistically significant relationship with either.

A 20-year-old student pursuing a BSc degree was a short-shift worker in the food delivery platform. He used a bicycle to deliver food in a Tier 1 city. He liked the flexible timings of the platform. His photograph was published in an advertisement of the food delivery platform, which further motivated him.

4.3.5 Work Environment

While only 14.4 per cent of respondents chose the work environment of the food delivery platform as a reason for joining, a quarter of the workers in Tier 3 cities chose this option (Table 4.6).

Table 4.6 Work Environment as a Reason for Joining the Food Delivery Platform (% of Respondents)

City Tier	All	Long-shift	Short-shift	Status	% of Respond-ents
Tier 1	15.1	19.2	9.5	Active (long-shift)	17.9
Tier 2	9.9	12.6	6.8	Active (short-shift)	9.0
Tier 3	25.0	23.9	26.5	Inactive	14.4
All	14.4	17.5	10.5	All	14.4

Source: NCAER Food Delivery Platform Workers Survey 2022.

Note: The chi-square test indicates that 'preferable work environment' as a reason to join the food delivery platform has a statistically significant relationship with type of city.

4.3.6 Payments

In the pilot survey, it came out that workers were not always happy about the timeliness of receipts of wages/salaries in their previous jobs and therefore we posed this question in the survey as to whether 'regular receipt of

payments' was a reason for joining the platform. One worker in the Focus Group Discussion told us that he used to drive a Gramin Auto (three-wheeler that can carry five people) but got tired of arguing with customers over small change, non-payment etc.

In their previous jobs, 40.3 per cent of the long-shift workers and 43.7 per cent of short-shift active workers received their wages directly in their bank accounts. The corresponding numbers for receiving wages in cash were 28.6 per cent and 21.7 per cent, respectively.

Table 4.7 **Mode of Payments and Regular Receipt of Payments as a Reason for Joining the Food Delivery Platform (% of Respondents)**

City Tier	All	Long-shift	Short-shift	Status	% of Respond-ents
Receipt of payments in bank account					
Tier 1	21.7	26.4	15.5	Active (long-shift)	25.3
Tier 2	15.5	15.4	15.5	Active (short-shift)	15.2
Tier 3	35.3	38.8	30.6	Inactive	20.8
All	21.1	24.1	17.3	All	21.1
Regular receipt of payments					
Tier 1	26.0	29.8	21.0	Active (long-shift)	31.8
Tier 2	20.7	25.8	14.9	Active (short-shift)	17.6
Tier 3	36.2	38.8	32.7	Inactive	24.1
All	25.3	29.6	20.0	All	25.3

Source: NCAER Food Delivery Platform Workers Survey 2022.

Note: The chi-square test indicates that 'mode of payments' and 'regularity of payments' as a reason to join the food delivery platform has a statistically significant relationship with type of city.

There were tier-wise differences on this reason. In Tier 1 cities, 49 per cent of long-shift workers had received their salaries in their bank accounts, whereas it was 30 per cent and 32.8 per cent in Tier 2 and Tier 3 cities, respectively. The corresponding number for active short-shift workers in Tier 1, Tier 2 and Tier 3 cities were 55.0 per cent, 36.0 per cent and 22.4 per cent, respectively.

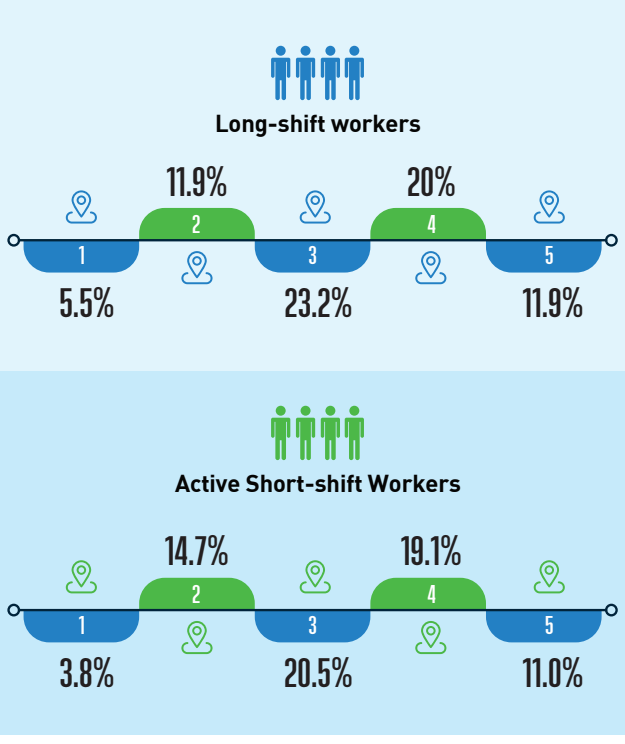
Digital payments as measured by direct deposit of salaries in bank accounts is still work-in-progress, especially in smaller cities. Platforms increase the spread of digital payments in the country since all platform workers receive their payments directly in their bank accounts. Although that is part of the larger social externality, at the micro level 20.1 per cent of workers responded that 'mode of payments' was one of the reasons for joining the platform (Table 4.7). It is not surprising that a larger share of Tier 3 city workers chose this option (35.3 per cent), whereas in Tier 2 cities, 15.5 per cent of workers chose this option.

'Mode of payments' as a reason to join platform work and how they received payments in their previous job or alternative one is negatively related in a statistically significant manner.

In our focus group discussions we found that workers preferred receiving wages on a weekly basis rather than monthly. 25 per cent of workers responded that regular receipt of payments as one reason for entering the food delivery platform (Table 4.7). This number was higher for workers from Tier 3 cities (36.2 per cent) and lower for Tier 2 cities (20.7 per cent).

Figure 4.3 shows that 32 per cent of the long-shift workers were either satisfied or completely satisfied with the timeliness of receipts of their salaries/wages in their previous jobs (Figure 4.3). Active short-shift workers were relatively less satisfied with the timeliness of payments (only 29 per cent). In sum, payments posed a problem for some especially in Tier 3 cities and was a primary reason for joining the platform.

Figure 4.3 Rating Satisfaction with the Timeliness of Receipt of Salary/Wages/Payments (% share of Respondents)



Source: NCAER Food Delivery Platform Workers Survey 2022.

Notes:

a. 1=Completely unsatisfied; 2=Somewhat unsatisfied; 3=Average;4=Satisfied; 5=Completely satisfied.

b. For long-shift workers, the shares do not add up to 100 per cent as 26.7 per cent them did not have a job prior to the platform and 1 per cent did not respond.

c. For active short-shift workers, the shares do not add up to 100 per cent as 26.7 per did not have an alternative or secondary job and 4.3 per cent did not respond.

4.3.7 Easy Entry

Only 10.4 per cent of respondents cited easy entry as a reason to enter food delivery platform work. However, the share is 19 per cent for Tier 3 city workers. Given that a large proportion of Tier 3 city workers (Table 4.8) are low to medium skilled (35.3 per cent; Figure 3.3), this reason is consistent with their background.

Table 4.8 Easy Entry as a Reason for Joining the Food Delivery Platform (% of Respondents)

City Tier	All	Long-shift	Short-shift	Status	% of Respond-ents
Tier 1	10.1	11.3	8.5	Active (long-shift)	12.0
Tier 2	7.9	9.3	6.2	Active (short-shift)	9.5
Tier 3	19.0	17.9	20.4	Inactive	9.5
All workers	10.4	11.5	9.0	All workers	10.4

Source: NCAER Food Delivery Platform Workers Survey 2022.

Note: The chi-square test indicates that 'easy entry' as a reason to join the food delivery platform has a statistically significant relationship with type of city.

4.3.8 Job Loss

Of the 9 per cent that joined the platform due to 'job loss', 67.5 per cent did so during the Covid-19 pandemic (overall this was 6.1 per cent of all workers). Unsurprisingly, a higher share of workers in Tier 1 and Tier 2 cities joined the platform after a job loss. 13 per cent of active long-shift workers said that 'job loss' was the reason for joining platform work (Table 4.9). This indicates that platform did help in absorbing the pandemic shock.

The evidence suggests that the platform acts as a social welfare net for episodes of unemployment. (Table 4.9). However, only 1.2 per cent of workers responded that they had joined the platform due to limited job opportunities. It was relatively higher for Tier 3 cities (3.4 per cent).

Table 4.9 Loss of Business/Job, Reduced Earnings in Previous Job or Limited Job Opportunities as Reasons for Joining the Food Delivery Platform (% of Respondents) Loss of Business

City Tier	All	Long-shift	Short-shift	Status	% of Respondents
Tier 1	1.3	2.3	0.0	Active (long-shift)	4.0
Tier 2	3.2	4.4	1.9	Active (short-shift)	1.0
Tier 3	0.9	1.5	0.0	Inactive	0.8
Total	1.9	2.9	0.7	Total	1.9
Job Loss					
Tier 1	10.5	12.5	8.0	Active (long-shift)	13.0
Tier 2	8.2	11.0	5.0	Active (short-shift)	8.1
Tier 3	5.2	9.0	0.0	Inactive	6.2
Total	9.0	8.9	5.1	Total	9.0
Limited Job Opportunities					
Tier 1	0.6	1.1	0.0	Active (long-shift)	2.8
Tier 2	1.2	1.1	1.2	Active (short-shift)	1.0
Tier 3	3.4	6.0	0.0	Inactive	0.0
Total	1.2	1.8	0.5	Total	1.2
Reduced Earnings in Previous Job					
Tier 1	1.1	1.1	1.0	Active (long-shift)	3.1
Tier 2	2.6	3.3	1.9	Active (short-shift)	2.4
Tier 3	0.9	1.5	0.0	Inactive	0.0
Total	1.6	1.9	1.2	Total	1.6

Source: NCAER Food Delivery Platform Workers Survey 2022.

Note: Barring loss of job, the chi-square test indicates that 'loss of business', 'limited job opportunities' and 'reduced earnings in previous job' as reasons to join the food delivery platform have a statistically significant relationship with type of city.

4.3.9 Summary of Reasons for Entry

Higher or additional income was the dominant reason for entering platform work. When we analysed the reasons behind joining food delivery platform by type of city, engagement (short-shift/long-shift) and status, we found that a higher proportion of workers in Tier 2 cities expressed 'higher/additional income' as a reason to join platform work.

However, when we decomposed the other reasons by various parameters, we found that a higher share of Tier 3 city workers chose independence, flexible work hour/day, mode and regularity of payments and easy entry as reasons to choose platform work. Their socio-economic background (staying at home) and conditions of their previous/alternative work (digital and regular receipt of payments) affected their choices.

A third key point is that platform work acted as a tool for social protection during distress/unemployment especially during the pandemic. However, it is unclear whether it specifically addresses issues of structural unemployment.

A fourth point is that platform work was indeed offering a stepping stone for students into a 'world of work' but food delivery was not necessarily a career choice. Driven by the motivation for higher income, it is unclear whether the first job for students is a stepping stone into the world of work that prepares them for bigger and better things or a stop-gap arrangement to meet economic needs. That answer remains ambiguous.

4.4 Entry Requirements for the Food Delivery Platform

This section examines the entry experience of platform workers and the economic costs of joining platform work. Ownership of vehicles and smartphones and buying the kit which includes a bag and a uniform are upfront costs of entering the platform. The key policy question is whether entry conditions and expenditures incurred are large enough to act as barriers to entry to the food delivery platform.

4.4.1 How did you Hear about the Food Delivery Platform?

76.1 per cent of workers responded that they had heard about it from their relatives/ friends/ networks. In this platform, workers get incentives for referral. Another 11 per cent of respondents said that they got to know about the platform through internet advertisements. These results are consistent across city, engagement and status (active/inactive). Overall, this means that the majority of workers did not have to incur any expenditure to acquire information about the job.

4.4.2 How did you Get this Job?

The majority of workers landed the job through offline interviews, followed by on-line interviews and just filling up the form (Table 4.10). There were differing trends between city tiers. In Tier 2 cities, the share of offline interviews was the largest (66.5 per cent), whereas in Tier 3 cities 28.5 per cent of workers joined by just filling the form and no interview.

Table 4.10 How did workers enter the Food Delivery Platform? (% of Respondents)

City Tier	On-line interview	Off-line interview	Paid an Intermediary	No interview and just filled up form	Other	No response
All	17.6	63.4	0.3	17.4	1.1	0.1
Tier-wise						
Tier 1	17.6	61.9	0.2	18.9	1.1	0.2
Tier 2	21.0	66.5	0.6	11.7	0.3	0.0
Tier 3	7.8	60.3	0.0	28.5	4.5	0.0
Tenure-wise						
< 1 year	21.0	59.6	0.2	17.5	1.7	0.0
>1 year & ≤ 2 years	18.1	65.4	1.0	18.5	0.5	0.0
>2 years	8.0	72.0	1.0	18.5	0.5	0.0

Source: NCAER Food Delivery Platform Workers Survey 2022.

Note: The mode of how one landed platform work has a statistically significant relationship with the type of city and tenure using the chi-square test. Status or engagement type did not have any significant relationship with this variable.

Decomposing the data by tenure clearly shows that the share of online interviews went up in the past one year. Intuitively, this is due to the pandemic. Off-line interviews were the predominant way of hiring workers before the pandemic.

4.4.3 Acquiring a Vehicle

Knowing how to drive a two-wheeler or a bicycle is a pre-requisite for entry but does it become a barrier to entry? The majority of respondents said that they had used or were using 2-wheelers (87.8 per cent) and 9.6 per cent were using bicycles to deliver food. The numbers for Tier 1 cities were 91 per cent and 5.8 per cent, respectively; Tier 2, 85.4 per cent and 12. 8 per cent, respectively; and Tier 3, 82.8 per cent and 15.5 per cent, respectively. It is not surprising that a larger proportion of Tier 3 city workers were using bicycles since these cities are smaller than the metros.

At the time of the survey 1.8 per cent of the respondents said that they were using or had used e-bikes to deliver food. That number may have changed given the importance placed on e-bikes by food delivery platforms.

While 78 per cent responded that they owned the vehicle that they were using or had used for food delivery prior to joining the platform, there were statistically significant differences across city tiers, status and engagement. The share of workers who responded that they owned their vehicle in Tier 1, Tier 2 and Tier 3 cities was 76.2 per cent, 83.1 per cent and 78.1 per cent, respectively.

The share of long-shift active workers who responded that they owned a vehicle prior to joining the platform was 67.8 per cent, short-shift inactive workers were 78.6 per cent and inactive workers were 88.4 per cent. Even within the student category, this number was 78 per cent.

Among workers who did not own a vehicle, 55.2 per cent bought a new one, 18.2 per cent bought an old one and 14.6 per cent borrowed it from a friend/relative. And even within this 55.2 per cent, only 9.4 per cent used the food delivery platform as a guarantor for loans. In specific cases, especially in Tier 1 cities, workers who work long-shift and feel the need to buy the vehicle do not use the food delivery platform as a guarantor.

From this current survey, it is not possible to figure out whether vehicle ownership is a barrier to entry as this is a self-selected sample. People who were previously drivers or working in food delivery self-selected or owned or had access to some type of two-wheeler/bicycle are self-selecting themselves into the food delivery platform. One respondent said that when he couldn't get a job and all he had was his cycle from school, he started using that to earn money. Clearly, governments easing access to two-wheelers/bicycles and providing training to drive can provide an important skill to earn money.

4.4.4 Acquiring a Smartphone

Another job requirement is a smartphone – 55.2 per cent of the respondents possessed a smartphone before joining the platform. 25.3 per cent of the workers reported buying a phone and 19.5 per cent did not respond to the question. Within students, a third of them had to buy a phone and 21.5 per cent bought a phone costing above Rs 10,000. The share of active workers who already possessed a smartphone was 67 per cent, 33 per cent reported buying a smartphone, and 24 per cent responded that they bought one for more than Rs 10,000. The corresponding numbers for inactive workers are 39.2 per cent, 14.9 per cent and 8.2 per cent, respectively. (45 per cent of inactive workers did not respond to this question.) In Tier 1 cities, 49.9 per cent already had a smartphone and 19.6 per cent bought one for above Rs 10,000. The corresponding numbers in Tier 2 cities are 60.4 per cent and 14.9 per cent, respectively and in Tier 3 cities the numbers are 61.2 per cent and 15.5 per cent, respectively.

17.4 per cent of workers responded that their phone cost more than Rs 10,000. The average monthly expenditure of a household in our survey is Rs 13,089 and in the Periodic Labour Force Survey (PLFS) it is Rs 13, 339 (urban household; NSO, 2023).[4] This implies that the worker would spend 75 per cent of their expenditure on a smartphone in a month if they were to buy the phone outright.[5]

The smartphone is a significant investment for at least a quarter of the workers who have to buy a smartphone before entering the food delivery platform.

4.4.5 Buying the Kit including Uniform and Bags

At the time of joining the platform, the delivery worker has to buy a kit that includes a T-shirt and bags. On average, the respondent has to pay Rs 682.6 for the kit. The corresponding numbers in Tier 1, Tier 2 and Tier 3 cities are Rs 710.8, Rs 642.5 and Rs 693.9, respectively. The corresponding number for respondents with tenure < 1 year, tenure between 1 to 2 years and tenure greater than 2 years are Rs 676.3, Rs 662.6 and Rs 715.8, respectively. The average price of the kit has gone up over the years and varies by city.

In some cases, workers said that they just borrowed the kit from their friends/ relatives. In other cases, they had to deposit a refundable security deposit of Rs 700–Rs 1,500. Also, some respondents said that one could buy a jacket from the platform, where the money would be deducted from their receipts on a regular basis.

Essentially, food delivery platform workers were bringing their own assets to the job and in that sense this is not a purely online labour platform (Koutsimpogiorgos et al. 2020).

4.4.6 Summary of Entry Requirements

The entry conditions are relatively easy, i.e., one acquires information through a close-knit network and an interview process; sometimes, one could get away without an interview. Since the majority of workers came with prior work experience, entry both on the demand side (platform) and workers (supply side) was relatively smooth.

The upfront costs of entering the platform were a two-wheeler, smartphone and a kit bag. On average, Tier 1 city workers tended to incur higher costs. More respondents owned a vehicle (two-wheeler) versus a smartphone before entering the platform. Still, 20-25 per cent of the workers did incur these costs before entering the platform and these expenditures did form a large proportion of their monthly expenditure (even if paid through equated monthly instalments). Plus, there is a one-time cost of acquiring the kit. However, workers do not use the platform as a guarantor to acquire the vehicle. If platform is to be scaled up by easing entry conditions, the upfront costs need to be lowered.

4.5 Entry Experiences

There are two questions that we examine here – terms & conditions and whether the platform prepares or skills workers for platform work.

4.5.1 Were you Aware of the Terms & Conditions?

Some work has been done on whether or not the terms & conditions are fair. We do not delve into that but probe the workers' awareness of terms & conditions. While the majority of workers were aware (71.4 per cent), a third were either partially aware or not aware (Table 4.11). A relatively higher share of inactive workers reported being partially aware or not aware.

Table 4.11	Were you Aware of the Terms & Conditions? (% of Respondents)			
City Tier	**Yes**	**Partially aware**	**No**	**No response**
All	71.4	18.2	10.1	0.3
Status				
Active	74.3	16.1	9.4	0.2
Inactive	67.4	21.0	11.0	0.5

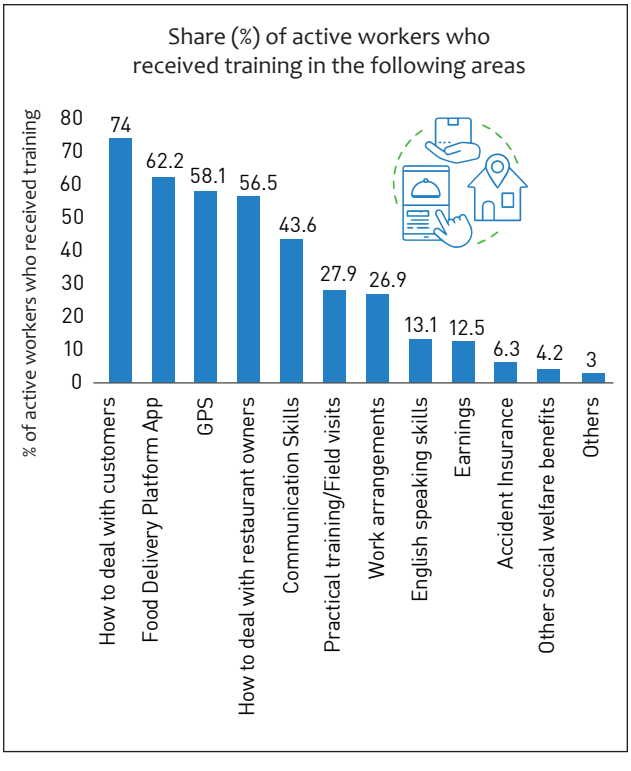
Source: NCAER Food Delivery Platform Workers Survey 2022.

Note: Awareness of terms & conditions was only statistically significant in relation to status.

4.5.2 Skilling

The pre-training questions were only posed to workers who reported being active when the survey was conducted. 88.6 per cent of the active workers reported receiving training, while 11.1 per cent did not. Within the student category, 86.2 per cent reported receiving training.

Figure 4.4 Training Content



Source: NCAER Food Delivery Platform Workers Survey 2022.

Within the respondents who reported that they received training, 75.1 per cent received up to three hours of training, 14.1 per cent up to six hours of training, 0.4 per cent received 6-12 hours of training, 3.6 per cent received one day of training and 5.9 per cent received more than one day of training.

26 per cent reported that they received online training, 20 per cent in-person training and 4 per cent a hybrid mode of training.

While the majority of workers reported that they received training, further probing found that the training was inconsistent in both duration and content (Figure 4.4). The good news was that 27.9 per cent of workers received practical training, which could be scaled up further.

While the majority of workers were aware of the terms & conditions for workers (71.4 per cent), a third were either partially aware or not aware. However workers reported being given relatively little orientation on the areas that affected them directly, such as accident insurance and social welfare benefits. Only 6.3 per cent of workers reported receving orientation on accident insurance and 4.2 per cent on other social welfare benefits. (Figure 4.4). 7.1 per cent were registered on the e-Shram portal, the social registry for unorganised workers in India.

4.6 Policy Challenges and Recommendations

The majority of workers who entered the platform came with prior work experience (76.2 per cent). Only 21 per cent of respondents were students whose first job was the food delivery platform.

The evidence is ambiguous whether the platform provides a stepping stone for first-time workers since higher income is the motivating factor and workers are skilled in an inconsistent manner. This will be examined in later chapters about experience and exit to get a clearer picture.

One clear recommendation for the food delivery platform its to improve its orientation

processes, especially those that revolve around the welfare of workers. Simply ensuring that workers sign up on nationally available schemes during pre-training may ensure more holistic social protection for them.

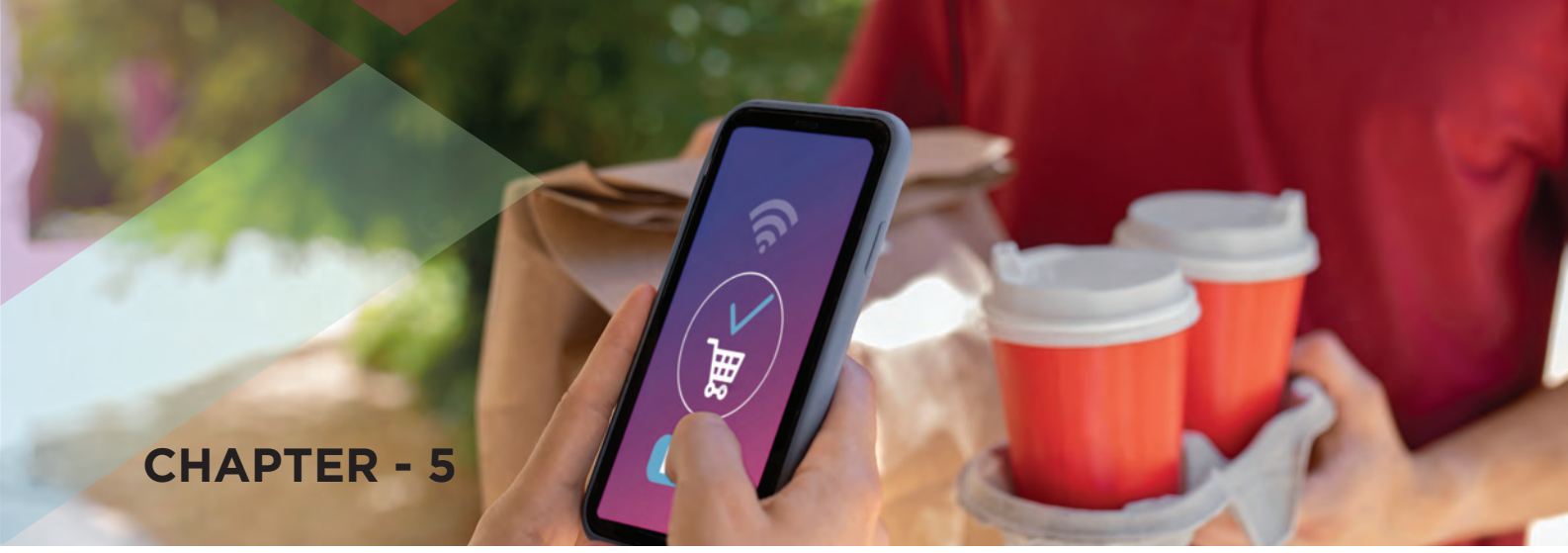
The platform work, by itself, does provide social protection during downturns such as the pandemic.

Another challenge is that while entry into platform work is relatively easy, there are upfront costs that may deter future potential workers. This means that scaling up may be more challenging than policymakers think. Credit policies to provide easy access to finance for vehicles, smartphones etc. could help. Good driving schools can have a multiplier impact on workers. The platform itself needs to implement policies on a more consistent basis about security deposits. Kits for workers could be provided by the platform or at least reimbursed for workers who remain active for three months.

Notes

1. This discrepancy could either be due to bias in responses to the survey questions (van den Berg, Lindeboom and Dolton 2006) or the stigma attached to unemployment (Krug, Drasch and Jungbauer-Gans 2019).
2. There were only 46 Tier 3 city workers in our sample who were living in their own homes in their own hometowns. Of that, only 52.2 per cent were non-primary wage earners. The sample size is too small to have any statistical meaning.
3. There are two agricultural seasons in India-- Kharif and Rabi. The Kharif season typically runs from June to September and Rabi from October to March. People come to look for jobs in urban areas during off-seasons, i.e., if labour is not needed back home in the agricultural sector. This is called seasonal employment.
4. The NSO (2023) states that this is only indicative in nature and reported here only for benchmarking purposes.
5. While this was not directly asked in a survey, anecdotally smartphones can be bought on instalments with a minimum down payment and monthly instalments for six to seven months.


STOP



CHAPTER - 5

Experience of a Food Delivery Platform Worker

A 38-year-old, Class 9 pass, married migrant worker in a Tier 1 city (from another State) has been working on the platform for seven years and is very happy with his job. The worker has learned to speak the language of the Tier 1 city fluently. He joined the platform on the recommendation of a friend. When he joined, the worker bought a smartphone from the platform where he paid an Equated Monthly Installment of Rs 3,000. The worker earned Rs 40, 000 per month in 2022, working 12 hours a day. The daily target he set himself was Rs 1,500 to Rs 1,600. He earned Rs 240 as a daily incentive because he earned more than Rs 1,000 a day, although he spent Rs 8,000 a month on fuel. On average he covered a distance of 180 km daily. He received support during the pandemic although he worked part-time during that phase because of fear of the disease. He recommended the food delivery platform job because there were no conditions.

A 22-year-old worker pursuing a BSc in Computer Science in a Tier 1 city was working on long-shift in the food delivery platform, delivering 15–20 orders per day. He supported his mother and sister financially. He received incentives and earned Rs 4,000 on a weekly basis. However, there was no paid leave and if he did not show up for work, his incentives were cut.

5.1 Introduction

This chapter assesses the experience of a food delivery platform worker. We do this in four ways. First, we assessed whether joining a food delivery platform improved the incomes of the worker from before joining the platform; we also examined incomes and working conditions of active short-shift workers with their alternative second jobs. Second, we examined the work conditions. Third, we assessed whether incomes earned from the platform were sufficient to meet consumption and what has happened to incomes over time. Fourth, has platform work moved the needle towards formality of the platform worker, as discussed in Chapter 2.

5.2 Have Workers' Incomes Increased?

In the sample, 55 per cent of the workers were long-shift ones working 11-hour shifts (logged on the app) including a one-hour break, 43.9 per cent were short-shift workers, 1.2 per cent worked on weekends and 0.1 per cent worked on special occasions.

5.2.1 Comparative Incomes of Long-Shift Food Delivery Platform Workers

This section examines income along with work conditions for long-shift workers to get a holistic understanding of the impact of the platform on its workers.

There are costs and benefits of working long-shift in a food delivery platform (Table 5.1). While monthly incomes have increased, so have the number of working hours in a day.[1] Barring accident insurance, the food delivery platform worker did not get any employer-provided social protection benefits. While workers have a written contract, it is task-based. Further, all workers have to bring their own equipment to the job, whereas the share of workers bringing their own machinery parts or equipment was much lower in pre-platform jobs.

Table 5.1 **Long-shift Workers: Comparison with Previous Job (42.5 per cent of all Respondents)**

Indicator	Previous Job	Food Delivery Platform Job
Duration of job (months)	31.8	16.5
Hours in a day	9.3	10.9
No. of working days in a week	6.2	6.4
Type of contract	69.1% of workers had either no contract, a verbal one, or a written one of less than one year	100% would have a task-based written contract; 83.9% per cent were aware of terms & conditions
Employer provided pensions	25.1%	No
Employer provided medical benefits	25.9% (21.4% of workers who had no contract did have medical benefits)	100% had accident insurance
Paid leave	40%	No paid leave
Brought own machinery, equipment, vehicle, materials etc. to work	46%	100%
Direct deposit of salary in banks	52%	100%

Source: NCAER Food Delivery Platform Workers Survey 2022.

Table 5.2 shows the change in real income of long-shift platform workers, i.e., the difference between what they were earning in their previous job before joining the platform (students have been left out of this computation). Incomes were deflated using the Consumer Price Index-Urban, averaged for all the reported years, and then categorised using the same class intervals as we had asked for platform workers' previous monthly incomes. We compared the income class intervals to show whether workers' incomes had increased/decreased or remained the same. The results show that real incomes either increased or remained the same for 65.1 per cent of the

long-shift platform workers and decreased for 34.9 per cent (see footnote 15). About a third of the workers who had experienced a decline in real incomes had left the platform, i.e., they were inactive. As the chapter on 'Exit' shows, income is not the only reason why people leave (or stay on) food delivery platform work.

Table 5.2 Change in Real Income for Long-shift Workers (Platform income minus previous job monthly income)

Change in Real Income	Frequency (%)
Increase	43.2
Decrease	34.9
Same	21.9

Source: NCAER Food Delivery Platform Workers Survey 2022.

Note: A 6 per cent inflation rate was assumed for this exercise. This is the average inflation rate between 2019 and 2022.

5.2.2 Incomes of Short-shift Active Food Delivery Platform Workers

In this sub-section we compare the platform incomes of short-shift active food delivery platform workers with their alternative current jobs (Table 5.3). The average earnings of active short-shift workers was Rs 7,843 per month from the platform.[2] While the alternative job of short-shift workers may or may not be better than their platform job, the latter helps them meet expenses.

A 37-year-old self-employed, married, goldsmith from a Tier 2 city said that the food delivery platform helped him get through the lockdown financially. He intends to continue working on the platform; the additional income has been helpful since he does not always have long-shift work.

Table 5.3 Active Short-shift Workers: Comparison with Current Alternative Job

Indicator	Alternative Current Job of Active Short-shift Worker at the Time of the Survey	Food Delivery Platform Job
Share of short-shift workers who have alternative jobs	72% (13.3% were students)	
Duration of job (months)	44.4	15.5
Hours in a day	8.7	5.0 (the majority were working in evening/night slots)
No. of working days in a week	6.0	6.0
Type of contract*	52% of workers either had no contract or a verbal one. 3.8% of workers had a written contract of less than one year.	100% would have had a task-based written contract; 8.6% per cent were not aware of terms & conditions
Employer-provided pensions*	17%	No
Employer-provided medical benefits	21%	100% have accident insurance
Paid leave*	30%	No paid leave
Brought own machinery, equipment, vehicle, materials etc. to work*	32.4%	100%
Direct deposit of salary in banks*	46.7%	100%

Source: NCAER Food Delivery Platform Workers Survey 2022.

Note: *The denominator is the 210 workers who were active short-shift workers during the survey. This includes workers who may be short-shift students, not doing anything, self-employed, or have not reported their information.

5.3 Experience in the Food Delivery Platform

We asked active workers a series of questions to understand their experiences of working in a platform.

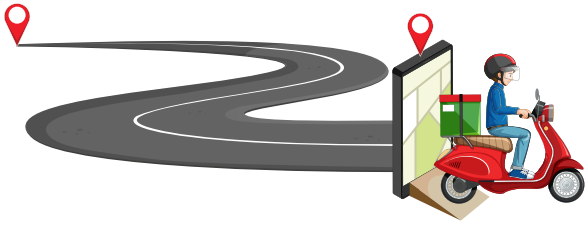
5.3.1 What is the Average Number of Deliveries per day that you Make?

The average number of deliveries per day is 15.2. However, there are substantial differences between long-shift and short-shift workers. For active long-shift workers, this number was 18.4 and for short-shift it was 10.3. The average number of deliveries for active long-shift workers in Tier 1, Tier 2 and Tier 3 cities was 19.1, 17.8 and 17.1, respectively. The average number of deliveries for active short-shift workers in Tier 1, Tier 2 and Tier 3 cities was 6.9, 4.5 and 4.8, respectively.

5.3.2 What is the Base Rate per Delivery? (Rs)

The average base rate is the first-mile pay for a normal delivery from the restaurant at a distance of 1.5–2 km to a maximum of 5–6 km. This may vary from city to city. The average base rate per delivery for active workers was Rs 25.6 at the time of the survey. For active long-shift workers, this number was Rs 25.1 and for short-shift workers it was Rs 26.2. The base rate per delivery for active long-shift workers in Tier 1, Tier 2 and Tier 3 cities was Rs 26.1, Rs 24.3 and Rs 24.3, respectively. The base rate per delivery for active short-shift workers in Tier 1, Tier 2 and Tier 3 cities was Rs 28.2, Rs 24.7 and Rs 24.6, respectively (see Box 5.1).

Without any incentives, the average long-shift worker would be making Rs 461.8 in a day and a short-shift worker Rs 269.9. Incentives would be added on top of that.



Box 5.1 Incentives

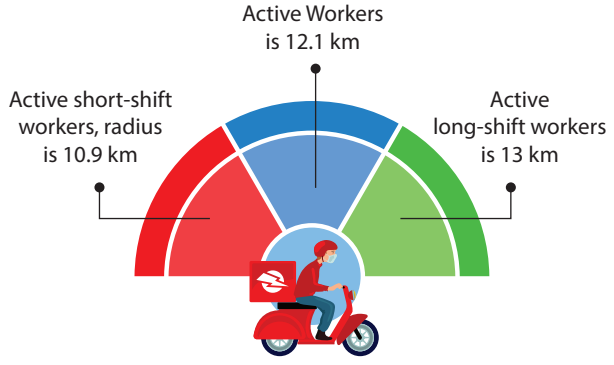
From our pilot interviews, we learnt from workers that they had to meet daily and weekly targets to earn incentives. These targets kept changing over time and cities. Targets were fixed in terms of amount earned from delivering orders and not the number of orders. In North Goa one worker reported that if they earned Rs 250 by delivering orders in a day, they would earn Rs 50 as incentive; if they earned Rs 300 by delivering orders, they would earn Rs 80 as incentive; and if they earned Rs 500 by delivering orders in a day, they would earn Rs 120 as incentive. One inactive worker said if they earned Rs 350 in a day they would get Rs 80 as incentive. The weekly targets were that if they earned Rs 2,700 in a week, they would have earn Rs 700 as a weekly incentive (in addition to daily incentives).

In the main questionnaire, we dropped this question because we got a variety of answers. However, we did ask workers: 'How often did you achieve your daily targets which ensured incentives? Had the ease of achieving targets changed over time and what were the reasons for the change?'

5.3.3 What is the Radius of your Zone (km)?

The average radius of the zone of active workers was 12.1 km. For active long-shift workers, this number was 13.0 km and for short-shift workers it was 10.9 km (figure 5.1). The average radius of the zone for active long-shift workers in Tier 1, Tier 2 and Tier 3 cities was 14 km, 11.7 km and 12.4 km, respectively. The average radius of the zone for active short-shift workers in Tier 1, Tier 2 and Tier 3 cities was 11.9 km, 10.2 km and 8.5 km, respectively.

Figure 5.1 Average Radius of Active Workers

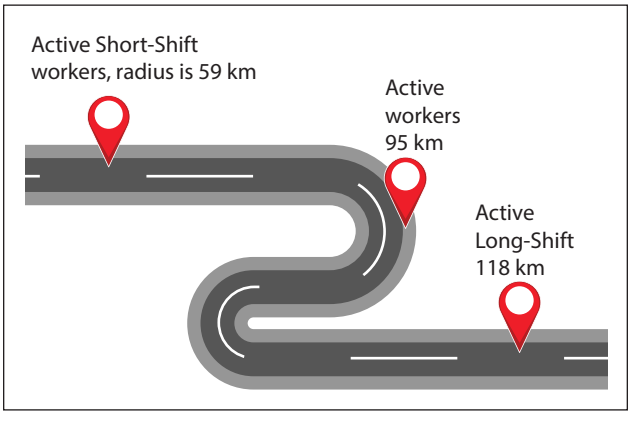


Source: NCAER conceptualisation.

5.3.4 What is the Daily Average Distance Covered While at Work (km)?

The average daily distance covered while at work for active workers was 94.9 km. (For inactive workers this number was 63.9 km.). For active long-shift workers, this number was 118 km and for short-shift workers it was 59 km (Figure 5.2). The average daily distance covered while at work for active long-shift workers in Tier 1, Tier 2 and Tier 3 cities was 114 km, 123.1 km and 121.6 km, respectively. The average daily distance covered while at work for active short-shift workers in Tier 1, Tier 2 and Tier 3 cities was 56.5 km, 61.6 km and 59.4, respectively.

Figure 5.2 Daily Distance Covered While at Work (km)



Source: NCAER conceptualisation.

Tier 2 and Tier 3 workers were covering a greater distance than Tier 1 city workers. While Tier 1 cities are larger, they would typically be operating in their zone. In contrast, Tier 2 and Tier 3 city workers have no zones and would be operating all over the city. The thinner the network, the larger the distances covered by workers to make a living.

5.3.5 What is the Average Wait Time (in minutes)?

Getting fresh orders from the food delivery platform

The average wait time to get fresh orders after completing one order for active workers was 22.3 minutes. There was no difference between long-shift and short-shift workers and it was the same as the average number. The average wait time for active long-shift workers in Tier 1, Tier 2 and Tier 3 cities was 28.2 minutes, 36.3 minutes and 23.8 minutes, respectively. The average wait time for active short-shift workers in Tier 1, Tier 2 and Tier 3 cities was 24.0 minutes, 35.8 minutes and 22.6 minutes, respectively. The wait time is relatively higher in Tier 2 cities.

At the restaurant after getting the order

The average wait time at restaurants to get the order for active workers was 22.3 minutes. There was no difference between long-shift and short-shift workers and it was the same as the average number. The average wait time for active long-shift workers in Tier 1, Tier 2 and Tier 3 cities was 21.7 minutes, 23.5 minutes and 21.5 minutes, respectively. The average wait time for active short-shift workers in Tier 1, Tier 2 and Tier 3 cities was 20.4 minutes, 25.9 minutes and 17.5 minutes, respectively.

The wait time is relatively higher in Tier 2 cities. During the focus group discussions, workers in Chandigarh and Panipat had highlighted this issue and therefore we asked this question in the survey.

5.3.6 Do You Get a Guaranteed Income in a Month?

We asked this question of all workers. 23.8 per cent responded that it was provided, 12.2 per

cent responded that it was provided initially but then discontinued and 61.8 per cent responded that it was never provided.[3]

5.3.7 How Often do you Achieve Daily Targets that Ensure Incentives?

Only long-shift workers qualify for daily and weekly targets set by the platform. If these targets are achieved, the worker gets incentives. As mentioned earlier, without any incentives, the average long-shift worker would be making Rs 461.8 in a day and a short-shift worker Rs 269.9. The daily earnings are topped by incentives, which is what drives their income (see Box 5.1). Therefore platform workers try to achieve daily targets that ensure incentives.

The share of all active long-shift workers who achieved daily targets on 2–3 days a week was 32.1 per cent, 4–5 days a week was 18.5 per cent and more than 5 days a week was 46.9 per cent.

Has the ease of achieving targets changed over time? 50.6 per cent of the active long-shift workers responded that it had become more challenging to achieve targets over time. 52.5 per cent of all long-shift workers, active or inactive, say the same thing. 33.7 per cent of long-shift workers who said that it was more challenging to achieve targets explained that this was due to heavier traffic on the roads. The second main reason was the presence of third-party delivery agents (17.8 per cent). During the focus group discussion in Chandigarh, delivery workers responded that they faced delays in getting orders from the platform because the platform was also facilitating orders through other apps like Shadowfax and Rapido.

5.4 Income, Fuel Costs and Savings

Table 5.4 shows the average monthly real income of long-shift platform workers across city tiers. The average income of a Tier 1 city worker is higher than for Tier 2, which is then higher than for a Tier 3 city worker. Plus, as Table 5.4 clearly shows, real incomes have trended down over the past three years. At least for long-shift workers real incomes have come down mainly due to inflation. Nominal incomes have gone up (Figure 5.3).

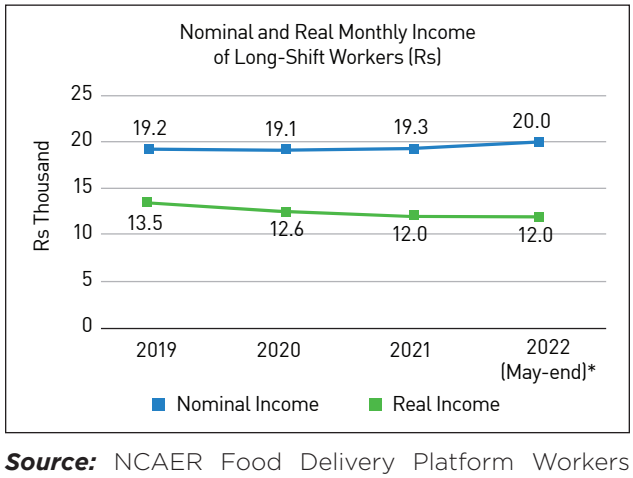
Table 5.4 Average Monthly Real Income (Rs)

Average Monthly Real Income	2019	2020	2021	2022 (May-end)*
Long-shift Workers				
All	13,470.8	12,563.4	12,008.5	11,963.1
Tier 1	13,923.8	13,923.8	13,960.0	13,438.5
Tier 2	12,877.8	12,877.8	11,938.7	11,120.9
Tier 3	13,509.4	13,509.4	10,167.6	9,772.3
Active Short-shift Workers				
All	7,999.3	8,769.4	7,777.6	7,157.9
Tier 1	8,550.2	9,853.8	8,604.1	7,873.3
Tier 2	7,863.0	8,192.7	7,446.5	6,555.3
Tier 3	6,556.3	5,910.6	5,804.8	5,652.1

Source: NCAER Food Delivery Platform Workers Survey 2022.

Note:* The survey was conducted in April-May 2022 and this number reflects only the first three months of that year. We have used the Consumer Price Index – Urban 2011–12 to deflate nominal incomes.

Figure 5.3 Nominal and Real Monthly Income of Long-shift Workers (Rs thousand)

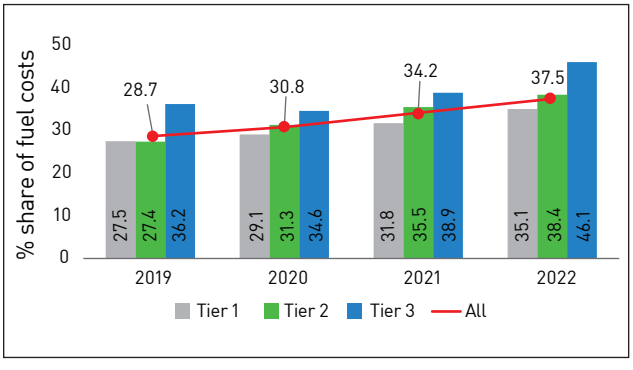


Source: NCAER Food Delivery Platform Workers Survey 2022.

Note:* This number reflects only the first three months of 2022. We have used the Consumer Price Index -Urban 2011–12 to deflate nominal incomes.

Figures 5.4 and 5.5 show that the share of fuel costs has increased for workers. It has been a double whammy for workers because a larger share of their incomes were being spent on fuel. On one hand, it has become increasingly difficult to achieve daily/weekly targets over time, which affects their ability to earn additional income from incentives; this was due to increased traffic and greater competition. On the other hand, fuel costs had gone up. Slightly less than 40 per cent of their expenses go into fuel costs, so workers have relatively little left. As we discover later in Chapter 7, many workers cited rising fuel costs as a reason for leaving platform work.

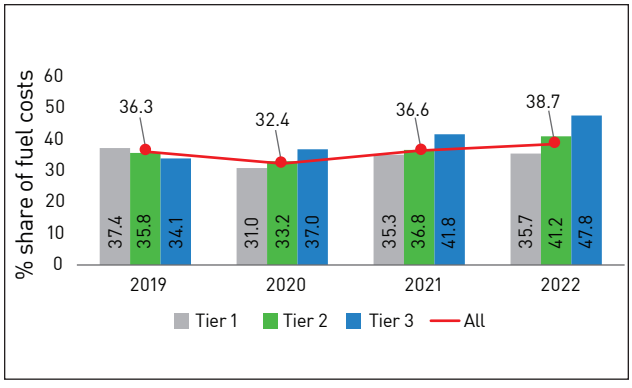
Figure 5.4 Share of Fuel Costs over time for all Long-shift Workers



Source: NCAER Food Delivery Platform Workers Survey 2022.

Note:* The survey was conducted in April-May 2022 and this number reflects only the first three months of that year.

Figure 5.5 Share of Fuel Costs over time for all Short-shift Workers



Source: NCAER Food Delivery Platform Workers Survey 2022.

Note: * The survey was conducted in April-May 2022 and this number reflects only the first three months of that year.

Table 5.5 shows the monthly income, expenditure and fuel expenditure of long-shift workers. We used nominal numbers here so that we can assess whether workers were able to meet their monthly expenditures from their platform incomes. Long-shift workers were breaking even in 2019 and 2020 but not in 2021 and 2022. As fuel costs and overall inflation started to rise, workers found it increasingly difficult to meet monthly expenditure from their monthly income. The rise in fuel expenditure outstripped the rise in incomes, even if one assumes a constant rate of inflation of 6 per cent. The share of workers with other sources of income was limited.

Table 5.5	Average Monthly Income, Fuel Expenditure and Monthly Expenditure of Long-shift Platform Workers, 2019 to 2022

Year	Average Monthly Income (Rs)	Average Monthly Fuel Expenditure (Rs)	Average Monthly Expenditure (excluding fuel, Rs)
2019	19,238.9	4,481.6	12,032.0
2020	19,130.3	5,177.3	12,613.4
2021	19, 301.3	5,995.5	13,696.5
2022*	20,026.3	6,838.9	14,938.2

Source: NCAER Food Delivery Platform Workers Survey 2022.

Note:* The survey was conducted in April-May 2022 and this number reflects only the first three months of that year.

5.5 Formal Work, Informal Worker

One of the research questions posed in the NITI Aayog (2022) report, 'India's Booming Gig and Platform Economy: Perspectives and Recommendations on the Future of Work', is whether platforms are formalising or informalising the economy. We use Bhandari et al. (2022) to say that the contract between the worker and the intermediary is market/transaction based. The intermediary reduces transaction costs (search, bargaining & monitoring) and bears the burden of transaction failure.

In contrast, there is a relational contract between a traditional informal worker and a service seeker. This relational contract becomes self-enforcing due to the mutual trust between the two parties which is formed after repeated interactions. Unlike the traditional informal economy, the intermediary in the platform economy takes the burden of the failure of an exchange between the service provider and service seeker. Plus, the intermediary is in a position to verify that the transaction has been completed. The intermediary is not an employer but helps the service provider land paid tasks.

The transactional nature of the contract makes the work done by a platform worker 'formal' because the task and payments associated with it are pre-decided and all parties know the costs of failure. Here, the transaction for work may also have a tax component attached as in food delivery. However, the worker himself/herself remains informal because he/she has neither employer-provided social welfare support (such as pensions and medical insurance), nor a tenure-based job contract, nor access to state pensions. Food delivery platform workers are covered by accident insurance, which is a very specific form of health insurance (covering only on-duty casualties). A comprehensive health insurance typically includes all health and hospitalisation expenses of workers and their dependents.

While the work may be getting formalised, workers remain informal.

5.6 Summing Up

We posed four objectives in this chapter.

The first objective was to compare workers with either their previous jobs or their alternative jobs. We found that long-shift food delivery workers were working the same number of days in a week as in their previous job. Platform workers worked for an hour longer in the platform on average, which included wait time to get fresh orders or waiting at restaurants to collect the order. The average duration that long-shift platform workers stayed in a food delivery platform job was almost half that of their previous jobs. However, incomes had not uniformly increased for all long-shift workers compared to their previous jobs.

Short-shift workers were working, on average, 5 hours a day in the platform and 6 days a week. The average duration of stay of short-shift platform workers in food delivery platforms was lower than in their alternative job. Platform incomes contributed almost a third to the total incomes of active short-shift workers.

Platform workers were better off on some parameters of working conditions such as access to medical insurance and direct deposit of wages, but worse off on others like no paid leave or pension.

Platform workers reported that real incomes had gone down over time. That is primarily due to inflation. For long-shift workers, it had become harder to achieve targets due to increased traffic and rising competition.

We assessed whether incomes earned from the platform were sufficient to meet monthly household expenses and what has happened to incomes over time. Real incomes of all workers have gone down over time. The ability to meet monthly expenditures out of the monthly incomes of long-shift workers had also gone down.

Last, we asked whether platform work moved the needle towards formality of the platform worker. The part that has improved for the worker is that the job is more formal with a written contract but that does not translate into tangible benefits for the food delivery platform worker. Still, 43 per cent of the workers say that they would definitely recommend platform work to friends/relatives. We discover some of the advantages of platform work in the next chapters.

Notes

1. The average working hours of long-shift workers in their previous jobs was 9.3 hours which is equivalent to 558 minutes; this includes the lunch hour. The average working hours of long-shift workers in platforms was 10.9 hours (654 minutes) including a one-hour break, wait time to get fresh orders from the food delivery platform after completing one and at the restaurant after getting the order. The average wait time to get fresh orders and at the restaurant to get the order was 48.7 and 43 minutes, respectively. Together, that amounted to almost 90 minutes. If we exclude these 90 minutes, the average working hours at the platform for long-shift workers was 564 minutes, which represents about a 1 per cent increase in daily work hours.

   We asked about actual incomes at platforms but for their previous jobs we asked in the interval format. We converted their platform incomes into intervals and then computed the average income. Average incomes have increased by 6.5 per cent, accounting for inflation.

   Now, the question is whether we should include wait time in the hours worked. If we do, the worker experiences a 19 per cent hike in hours worked while experiencing a barely 6.6 per cent rise in real income. If we exclude the wait time from hours worked, the worker is better off because daily hours worked in the platform increased by 1 per cent while the rise in income was higher.
2. The average income of short-shift workers from their alternative job was estimated to be Rs 17,000.
3. We do not have a comparison question for workers in their previous jobs or their second jobs. However, since platform work is a task-based contract, this comparison would be comparing apples and oranges.

CHAPTER - 6

Do Food Delivery Platform Workers have Independence, Flexibility and Autonomy?

6.1 Introduction

The objective of this chapter is to empirically explore the question of autonomy of workers. Autonomy is the choice of the worker to decide how, where and when to produce. Pichault and McKeown (2019) specify that the degree of autonomy in the workplace will depend on three parameters, namely, work status, work content and work conditions (Annexure B). In the 3-E framework, this question would fall under the 'experience' of the food delivery platform worker.

To answer this question of whether food delivery platform workers are autonomous, we did a step-wise analysis. We first explore questions of independence (not answerable to anyone, can switch on and off jobs without consequence etc.) as well as flexibility, where flexibility refers to their ability in the job to choose time slots, work hours etc. Second, we explore the degree of control that workers have on their own production function versus algorithmic control. Third, we explore the workers' preferences for incentives in a digital economy framework. Fourth, we explore the grievance redressal mechanisms available to platform workers.

6.2 Do Food Delivery Platform Workers have 'Independence'?

As discussed in Chapter 4, 35.2 per cent of workers chose 'independence' as a reason to join platform work (Table 4.4). The numbers for Tier 1, Tier 2 and Tier 3 cities were 32.7 per cent, 31.8 per cent and 55.2 per cent, respectively.

We asked food delivery platform workers to choose one attribute of the food delivery platform that they 'liked the most' and 27.9 per cent of respondents chose independence. It varied across type of city with 38.8 per cent of respondents in Tier 3 cities choosing 'independence' (Table 6.1).

Table 6.1 Liked Independence the 'Most' about the Food Delivery Platform (% of Respondents)

City Tier	All	Long-shift	Short-shift	Status	% of Respondents
Tier 1	23.2	26.0	19.5	Active (long-shift)	31.4
Tier 2	30.6	28.6	32.9	Active (short-shift)	31.4
Tier 3	38.8	43.2	32.7	Inactive	23.1
Total	27.9	29.2	26.3	Total	27.9

Source: NCAER Food Delivery Platform Workers Survey 2022.

Note: The chi-square test indicates that the 'independence' variable has a statistically significant relationship with type of city and status but with neither engagement nor tenure.

Not surprisingly, the correlation between respondents who chose 'independence' as a reason to join platform work and the ones who 'liked it the most' was statistically significant (Figure 6.1). Unlike platform companies' perceptions, the 'independence' feature of a platform is something the workers do not particularly care about.

Figure 6.1 **Correlation between Workers who Chose Independence as a Reason to Join Platform Work and Workers who Liked This Feature the Most**

	Like 'Independence' the most about food delivery platform	Did NOT Like 'Independence' the most about food delivery platform
Independence was a reason to join platform work	13.5%	20.8%
Independence was NOT a reason to join platform work	14.4%	48.2%

Source: NCAER Food Delivery Platform Workers Survey 2022.

Note: The chi-square test indicates that the two independence variables – workers who chose independence as a reason to join platform work and workers who liked this feature the most – are significantly correlated.

6.3 Do Food Delivery Platform Workers have Flexibility?

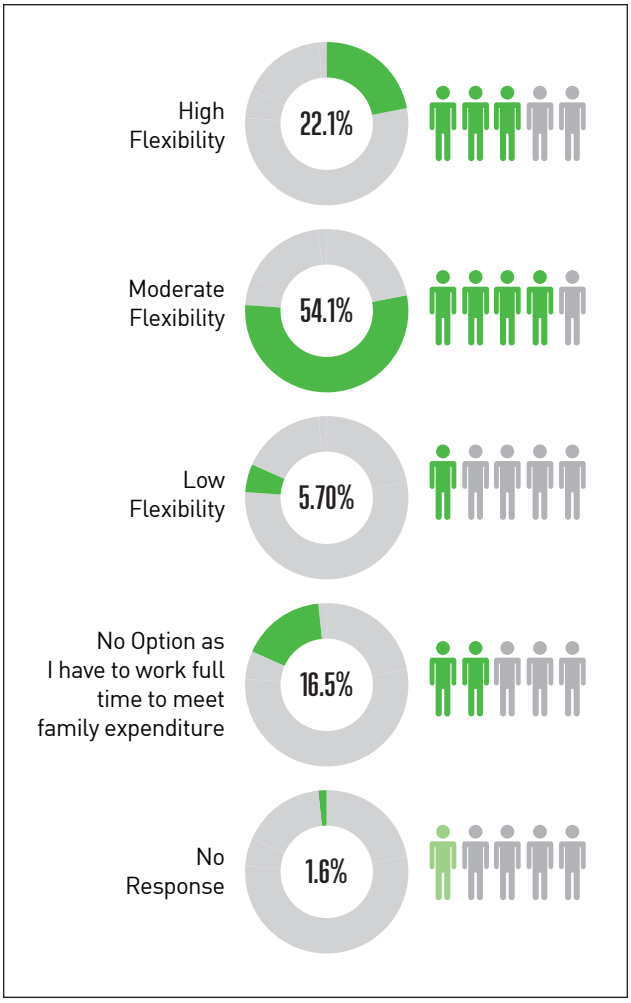
We probed workers on four aspects of flexibility: perception of flexibility in their work, desire to change work arrangements (such as zones and work shifts), ease of the process, and the importance to them of flexibility in their work. About a third of workers cited flexible work hours/days as a reason for joining the platform (28.4 per cent), but the percentage was higher for Tier 3 city workers (44.0 per cent) (Table 4.5 in Chapter 4). Overall, the share of workers choosing flexible seasons (i.e., workers with an agricultural background who come to work in urban areas during lean seasons in agriculture) as a reason to join platform work was relatively low (8.1 per cent), but the share was higher for Tier 3 city workers at 12.1 per cent.

6.3.1 Perception of Flexibility in Their Work

We asked all workers how 'flexible' their work was in terms of easily changing the time, duration and zone to suit their convenience. Figure 6.2 shows the distribution of responses. 76.2 per cent of the workers found it highly or moderately flexible. 16.5 per cent said that 'flexibility was not an option because one had to work the long shift to meet family expenses'. The share of workers across type of engagement who said that flexibility was not an option to meet family expenses was 20.6 per cent for long-shift workers and 11.2 per cent for short-shift workers. The same statistic across city tiers was 12.3 per cent in Tier 1, 24.8 per cent in Tier 2 and 8.6 per cent in Tier 3. Another way of looking at the statistic is that of the 16.5 per cent of respondents, 56 per cent belonged to Tier 2 cities. 63 per cent of this group were receiving rations, implying that they belonged to the weaker economic category.

On an additional note, 12.1 per cent of inactive/exited workers responded that they had not left the platform but were on leave. (Chapter 8 expands on this point.) Platform work offers workers unpaid leave but at their convenience – they can join or take leave as and when they want. This would not be there in a traditional job.

Figure 6.2	How 'Flexible' is your Work in Terms of Easily Changing the Time, Duration and Zone to Suit your Convenience (% of Respondents)



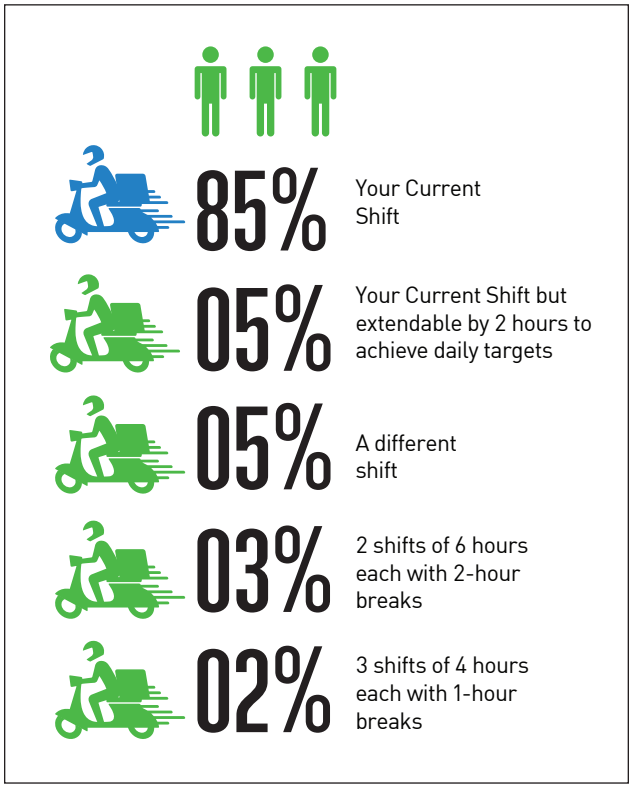
Source: NCAER Food Delivery Platform Workers Survey 2022.

Note: The chi-square test indicates that the 'flexibility' variable has a statistically significant relationship with type of city and engagement.

6.3.2 Desire to Change the Structure of Shifts

Both in the Focus Group Discussions (FGD) and pilot study, some workers commented on the structure of shifts and wanted some degree of flexibility in that. Based on this comment, we asked 'active' workers about the structure of shifts. Figure 6.3 reflects that the majority of active workers (83.2 per cent) liked their current shift, but some workers wanted options for flexibility or alternative shift mechanisms.

Figure 6.3	Which of the following Types of Shifts would you Prefer? (% of Active Workers)

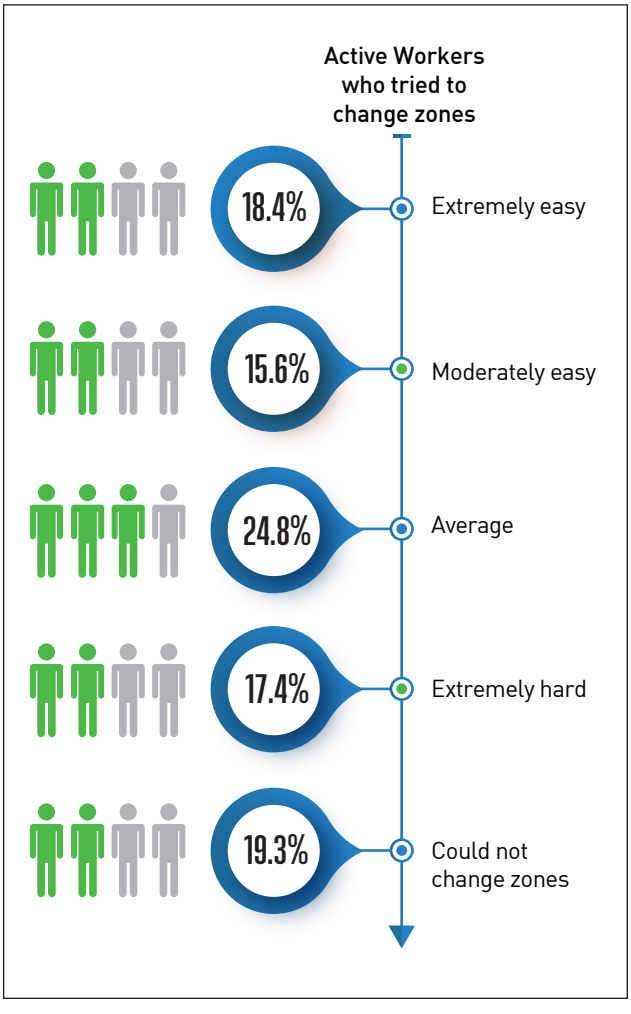


Source: NCAER Food Delivery Platform Workers Survey 2022.

6.3.3 Ease of the Change Process

We asked workers who were active at the time of the survey whether they had tried to change zones (see Annexure A for a discussion on zones) or work shifts and, if yes, how easy/ difficult the process was.

Figure 6.4 How Easy was it to Change Zones? (% of Active Workers Who Tried to Change Zones)

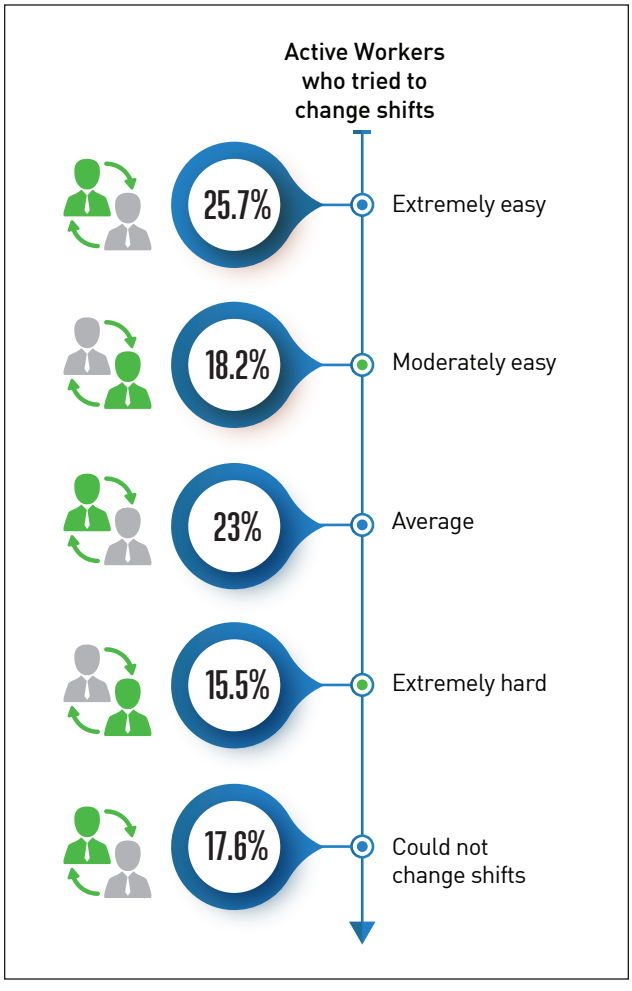


Source: NCAER Food Delivery Platform Workers Survey 2022.

Zones: 20.4 per cent of the active workers had tried to change zones (within a city). Figure 6.4 illustrates the ratings of these workers on the zone-changing process. About 34 per cent of respondents who wanted to change zones found it either moderately easy or extremely easy. The average score was 3.2.

Shifts: 27.7 per cent of the active workers had tried to change shifts. Figure 6.5 illustrates the ratings of these workers of the shift-changing process. About 44 per cent of the workers who tried to change shifts found it either moderately easy or extremely easy to change shifts. The average score was 3.2.

Figure 6.5 How Easy was it to Change Shifts? (% of Active Workers Who Tried to Change Shifts)



Source: NCAER Food Delivery Platform Workers Survey 2022.

6.3.4 Relative Importance of Flexibility in Platform Work

We asked all workers about one feature that they liked the most about the food delivery platform. 16.3 per cent of all workers responded positively to 'flexibility'. Table 6.2 is a detailed description by city tier and engagement type. Short-shift workers, of course, like it more than long-shift workers. A larger proportion of Tier 1 city workers find this feature more attractive. There

is a significant correlation between workers who entered the platform because of 'flexible' hours/days and the ones who liked flexibility the most about the platform. This relationship is significant too for flexible seasons and the ones who liked flexibility the most about the platform.

Table 6.2 Liked Flexibility the Most about the Food Delivery Platform (% of all respondents)

City Tier	All	Long-shift	Short-shift	Status	% of Re-spond-ents
Tier 1	21.1	15.9	28.0	Active (long-shift)	10.5
Tier 2	12.5	7.7	18.0	Active (short-shift)	25.2
Tier 3	8.6	7.5	10.2	Inactive	16.4
Total	16.3	11.9	22.0	Total	16.3

Source: NCAER Food Delivery Platform Workers Survey 2022.

Note: The chi-square test indicates that the 'independence' variable has a statistically significant relationship with type of city and status but not with either engagement or tenure.

In sum, while flexibility was deemed important by some workers and liked by some too, the platform itself is moderately flexible in the sense that workers who tried to change zones and shifts did not find the process to be easy or very easy. For 16.5 per cent of workers, flexibility is not even a matter of choice but one of survival!

6.4 Workers' Own Initiatives (Degree of Control)

One distinguishing feature of platform work is the use of an algorithm. In Chapter 2 we discussed how that changes labour relations. In this section, we asked active workers about the degree of 'control' that they have over various activities in platform work.

We made a series of statements and asked workers whether they agreed or disagreed with those. Table 6.3 shows the four statements. The results are showed in figures 6.6 to 6.9.

Table 6.3 Your Control over Various Activities

	How much do you agree/disagree with the following statements (Strongly disagree-1; Disagree-2; Undecided-3; Agree-4; Strongly agree-5;)
a.	You can increase the number of deliveries if you try harder.
b.	You can improve your rating if you become polite with customers.
c.	The number of deliveries you make is completely out of your hands. It depends on factors outside your control such as platform app, orders from restaurants, traffic, customers, etc.
d.	You have to spend a lot of time waiting at the restaurant for an order.

A common result is that the majority (above 60 per cent) of active workers either agree or strongly agree with the statements (Figures 6.6-6.9). This would imply that platform workers are relatively confident about their own initiatives, but there are external factors at play. For example, for deliveries, the majority of workers agreed with both statements that they can increase the number of deliveries if they work hard but the number of deliveries that they make also depends on exogenous variables outside their control; for example, in Chapter 5 respondents mentioned that increased traffic and competition have affected their ability to achieve daily and weekly targets. The correlation between two variables (they can increase the number of deliveries if they work harder and the number of deliveries you make is completely out of your hand) is statistically significant but the correlation coefficient is only 0.3. This shows that both own initiatives and outside factors play a role in this regard.

Figure 6.8 shows that 60.2 per cent of active platform workers said that they can improved their ratings by being polite with their customers. Despite those claims, we find that that the active platform workers' own ratings in the previous week are NOT correlated with the response

of workers on whether they can improve their ratings. This implies that perception of workers' may not translate into reality implying a degree of algorithmic control of workers via ratings.

During the Focus Group Discussion (FGD) in Chandigarh, a couple of respondents complained about the long and uncertain wait times at restaurants. This was a common complaint, especially in Chandigarh and Panipat. Figure 6.9 shows that 78.8 per cent of active workers agreed with the statement that they spent a lot of time waiting for the order at the restaurant; this is important to workers because it affects the number of deliveries they can make. In Tier 1, Tier 2 and Tier 3 cities, the share of active workers who agreed with the statement was 79.7 per cent, 77.2 per cent and 80.2 per cent, respectively

Figure 6.6 You can Increase the Number of Deliveries if You Try Harder (% of Active Workers)

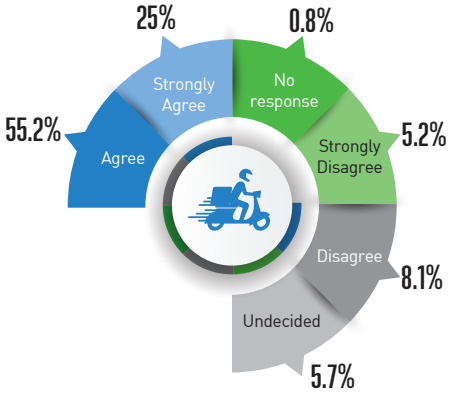


Figure 6.7 You can Improve your Rating if you Become Polite with Customers (% of Active Workers)

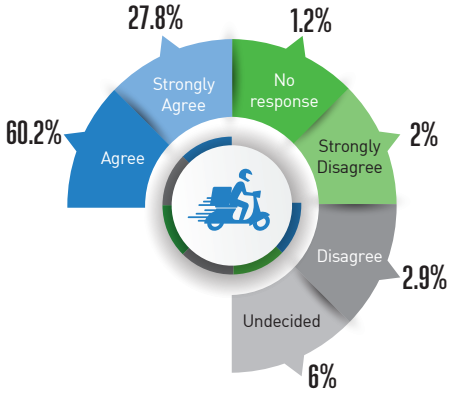
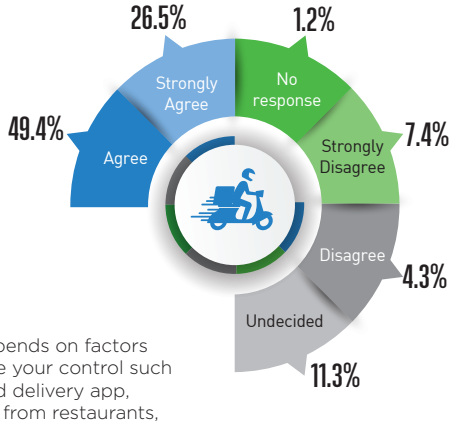
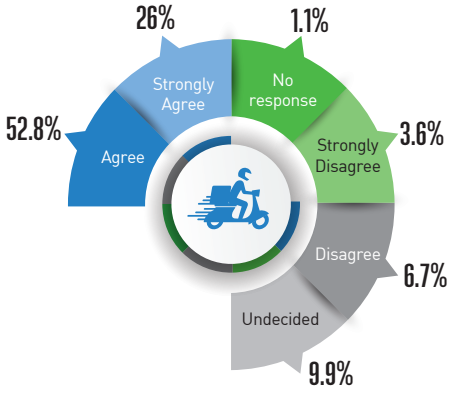


Figure 6.8 The Number of Deliveries you Make is Completely out of Your Hand.* (% of active workers)



* It depends on factors outside your control such as food delivery app, orders from restaurants, traffic, customers, etc.

Figure 6.9 You have to Spend a Lot of Time Waiting at the Restaurant for an Order (% of Active Workers)



Source: NCAER Food Delivery Platform Workers Survey 2022.

6.5 Preferences for Work/Incentives

As discussed in Chapter 2, in most labour markets the incentive structure between employer and employee is determined prior to the labour market transaction. Contractual agreements keep these incentive structures rigid to reduce risks for both parties. However, on digital platforms, these incentives change periodically. Data generated from such changes provides value to the firm. But do the incentives depart too much from what the worker agreed upon? What is the optimal incentive that workers prefer? What is the risk-reward preference for workers?

The responses of active workers were varied about their work/incentive preferences. While 48.1 per cent preferred the standard prevailing incentive scheme (task-based payment topped with incentives), there were preferences for other options too (Figure 6.10). Interestingly, active workers in Tier 3 cities had a decided preference for high delivery charges but no target-based incentive (Figure 6.11). In contrast, active workers in Tier 1 cities preferred the standard prevailing scheme. None of the variables seem to be correlated with this preference variable--age, education, marital status, status of wage earner, number of dependents, or tenure. When we posed this question to inactive workers, i.e., which work/incentive would make them re-join the platform, they were equally divided between the three choices, i.e., approximately a third of the workers chose each option and 10.5 per cent did not respond.

Figure 6.10 Which of the following Incentive Schemes would you Prefer for an 11-hour Shift? (% of Active Workers)

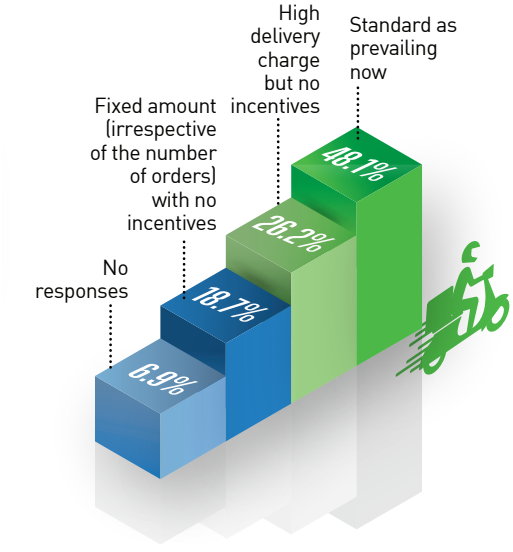
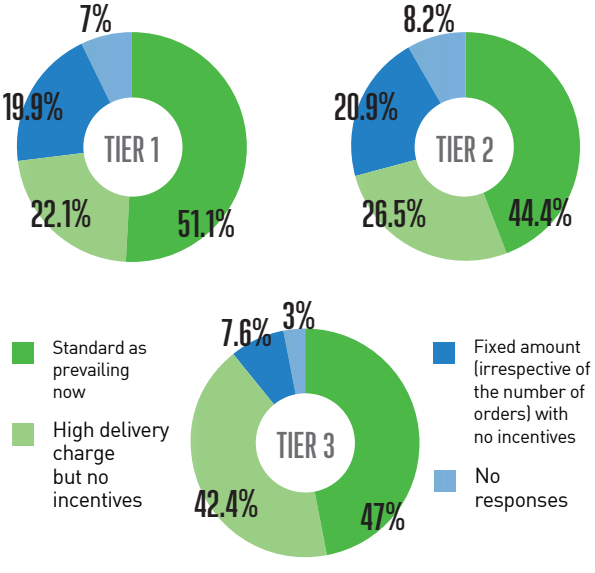


Figure 6.11 Which of the following Incentive Schemes would you Prefer for an 11-hour Shift? (% of Active Workers, by City Tier)



Source: NCAER Food Delivery Platform Workers Survey 2022.

Note: The chi-square test indicates that the incentive structure has a statistically significant relationship with type of city.

6.6 Do Food Delivery Platform Workers have Autonomy?

Pichault and McKeown (2019) specify that the degree of autonomy in the workplace depends on three parameters, namely, work status, work content and work conditions. We use their framework to assess whether food delivery platform workers are autonomous. Based on this framework, we identify that the food delivery platform worker has the following characteristics.

6.6.1 Work Status

Using the Pichault and McKeown (2019) framework, in the legal continuum, the food delivery platform worker would be an independent contractor.[1] In this particular food delivery platform, the worker is covered only by an accident insurance package via third parties. The worker has a diversity of clients but the clients are via one third party. Is the platform work out of deliberate choice? There are both push and pull factors. Platform work actually helps workers move the needle on the continuum towards a more recognised work status in India. The following evidence illustrates the point.

- *Pull factor:* Higher income was the key reason why most workers join the platform (67.8 per cent; see Figure 4.2).
- *Push factor*: 9 per cent of respondents reported 'job loss' as a reason for joining the platform, and 31.6 per cent responded that they were unemployed before joining the platform (Figure 4.2).
- *Multiple jobs:* 30.8 per cent of all respondents had an additional job while being a platform worker. The corresponding number for long-shift workers was 16 per cent and for short-shift workers it was 49.5 per cent.
- *Type of contract:* In their previous jobs, 53.5 per cent of long-shift workers had no contract, a verbal contract, or a written contract of less than one year; this means that all of them were temporary/ casual. Active short-shift workers with an alternative job had either no contract, an oral contract or a written contract of less than one year (46.8 per cent). In contrast, all workers in the platform would have some kind of written agreement and even in the current survey only 10 per cent of respondents said that they were not aware of terms & conditions (Chapter 4).

6.6.2 Work Content

Using the Pichault and McKeown (2019) framework, there are four components to examine on work content.

a. Guidelines for allowing job crafting: Food delivery workers are given training on how to deal with customers (74 per cent of respondents had reported receiving training on this topic, Figure 4.4) & restaurants upon entry (56.5 per cent of respondents had reported receiving training on this content, Figure 4.4). Since platform work is characterised by ratings (Pichault and McKeown 2019), food delivery platform workers know that they can improve their ratings if they are more polite with their customers. There would be low autonomy in this kind of work because there are detailed specifications for the work.

b. Workload and work pace: In the case of food delivery platform workers the workload is at one's discretion but the work pace. Workers can choose to be long-shift or short-shift platform workers; however, for many workers, flexibility is not an option (Figure 6.2). For people who want a change of shifts/zones, the process is rated as "average" (rating of 3.0 on a scale of 1 to 5). Plus, as mentioned in Chapter 4, the wage structure is such that one is given incentives to achieve targets. Since achieving targets over time has become difficult (noted by 50.3 per cent of respondents), the work pace is more strenuous. Overall, autonomy is relatively limited on this sub-component.

c. Standardisation of norms, outcomes and work processes: Work processes are standardised and incentives depend on it. Through customer ratings, outcomes in the relatively low-skilled job of food delivery job is standardised.

d. Quality of support and access to communities of practice is limited in food delivery

- 74 per cent of active workers responded that they were not consulted about commission/ incentive structures in the food delivery platform and only 59.9 per cent of active workers said that they received information about changed commission/incentive structures etc.
- 29 per cent of active workers had not faced unruly customers. Among the 71 per cent of active workers who had faced unruly customers, workers rated an average score of 2.6 on the fair hearing of the food delivery platform.[2] The corresponding number for restaurants was 30 per cent and the average rating was 2.5. The average rating from all workers (active and inactive) was 2.4. On payment issues, the food delivery platform got an average rating of 3.5 from all active workers.
- We asked active workers how helpful the food delivery platform was during a health emergency. Figure 6.12 shows weak support from the platform. Barik, Pramanik and Desai (2020) found that despite rising insurance coverage in recent years, individuals are often not aware of their entitlements. This circles back to the platform doing a better job of orienting their workers about medical entitlements and how to access them..

A respondent reported meeting with an accident while working on the platform and had to go on unpaid leave. According to the terms and conditions, he could only claim any health benefit if he was admitted in a hospital for 24 hours, and had a copy of the FIR with other paperwork. Since he did not have all the paperwork, he did not get any help from the platform.

Another example is that of a 28-year-old post-graduate female worker from a Tier 1 city who was a single earner. She owned a house and a two-wheeler. Sometimes, she had to travel out of her zone for a long-distance delivery order, but then she had to come back into her zone to receive another order, which took time and involved petrol costs without a delivery order in hand. The worker once met with a minor accident and even applied to the platform for help but they never responded. Sometimes, customers used to tip well considering that a woman was delivering food. However, she felt that she was not adequately compensated for the hard work of delivering the food and the returns were very low. Further, society used to look down on her because she was a woman working as a delivery person. The worker suggested that the grievance cell should be better and should listen to the delivery worker's side also. The worker has left the platform for a better job, which is a desk job.

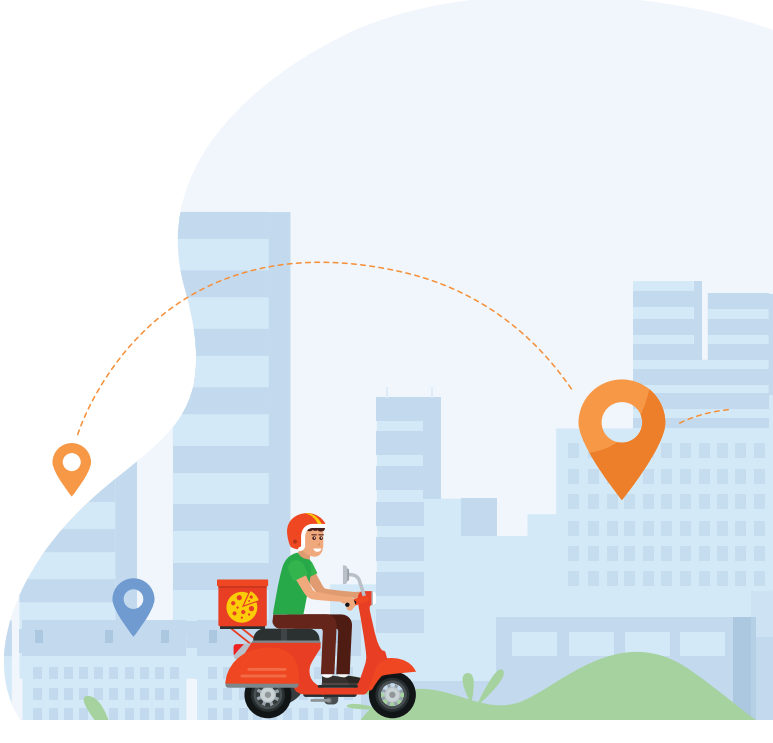
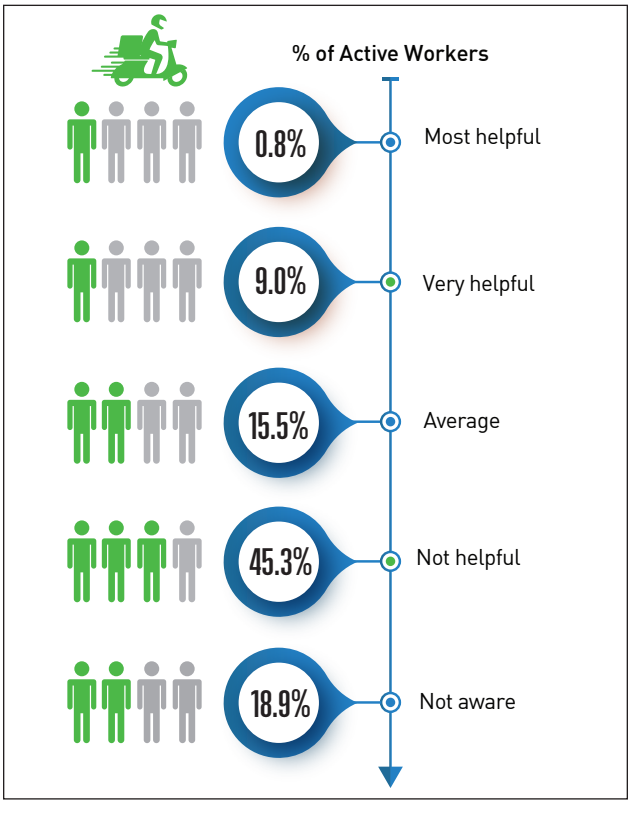


Figure 6.12 How Helpful was the Food Delivery Platform during any Health/Family Emergency etc.? (% of Active Workers)



Source: NCAER Food Delivery Platform Workers Survey 2022.

Using the four sub-dimensions, one would conclude that in work content, food delivery platform workers are not autonomous. Workers have guidelines on how to deliver food to customers, leaving them little flexibility. The workload is at one's discretion but the work pace is not. The average score on the ease of process of changing shifts and zones is scores yields an average of 3.0 indicating that the process is not that flexible. There is standardisation of norms, outcomes and work processes. The workers are not consulted when incentives change. They have very little support from the platform in terms of managing unruly customers and restaurants or getting help during any emergency. However, there are avenues for reskilling/upskilling.

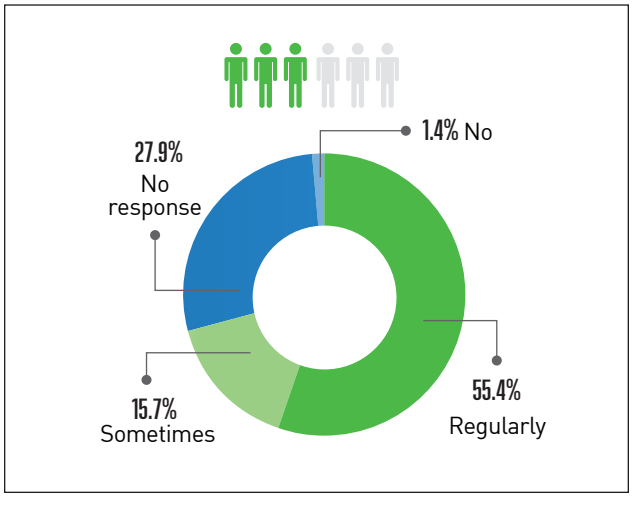
6.6.3 Work Conditions

An independent professional is autonomous if the worker is self-responsible for developing skills, steady income flow and time & space arrangements (Pichault and McKeown 2019).

The food delivery platform worker is responsible for developing his own skills and regular income flows, but time & space arrangements are shared between the workers and the platform. From the section on flexibility, we find that the platform rates an average score of 3.0 (out of 5.0) on flexibility. Also, the time spent waiting for restaurant orders is relatively high. While one can improve deliveries out of one's own initiative, it is constrained by other factors.

We asked active workers whether they reskilled or upskilled themselves from the skilling content that the food delivery platform provided – 55 per cent of the workers responded 'regularly', 15.7 per cent responded 'partially' and 27.9 per cent simply responded negatively (Figure 6.13). There was no correlation of this variable with any of the socio – economic characteristics or type of city.

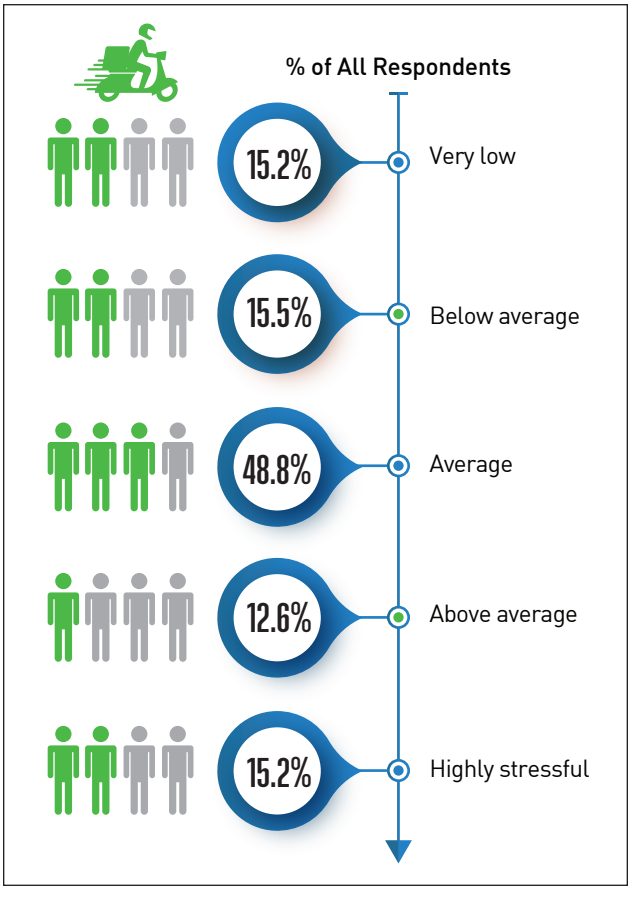
Figure 6.13 Do you Reskill/Upskill Yourself from the Training Content that the Food Delivery Platform Provides? (% of Active Workers)



Source: NCAER Food Delivery Platform Workers Survey 2022.

The average rating on stress was 4.0, i.e., below average stress (Figure 6.14 shows the distribution). Payments are not an issue. But the average number of hours for long-shift platform workers was very high compared to the average for a self-employed worker. The authors' overall assessment would be that the food delivery platform worker would be in the middle of the autonomous continuum. This is because the nature of the work makes it a largely self-determined exercise though it may be a low equilibrium trap since they have limited choices.

Figure 6.14 How 'Stressful' was the Food Delivery Work, in your Perception? (% of Respondents)

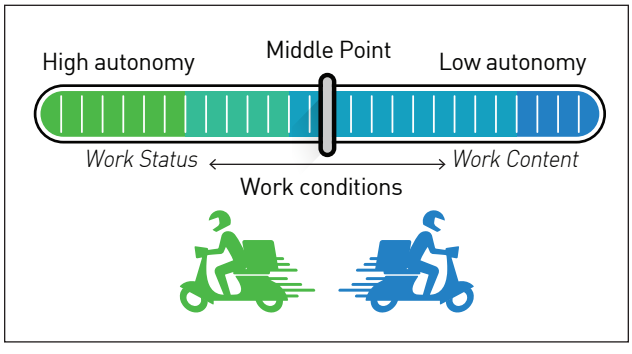


Source: NCAER Food Delivery Platform Workers Survey 2022.

6.7 Summary

Using the Pichault and McKeown (2019) framework, we find that on work status the food delivery worker is 'autonomous', work content is characterised by low autonomy and work conditions are somewhere between. In sum, the food delivery worker falls in the middle of the autonomy continuum (Figure 6.15). The food delivery platform worker definitely needs more support. The results fit in with the overall literature that while there may be autonomy, flexibility etc., the trade-off is low pay, social isolation, exhaustion etc. (Shibata 2020; Wood et al. 2018).

Figure 6.15 Is the Food Delivery Platform Worker Autonomous?



Source: NCAER conceptualisation using Pichault and McKeown (2019) and NCAER Food Delivery Platform Workers Survey 2022.

Notes

1. A worker is an 'independent contractor if supported by umbrella organisations or other third parties (such as crowd-work platforms) operating as administrative facilitator' (Pichault and McKeown 2019: p. 63).
2. The workers rated on this scale: Never-1; Rarely-2; Sometimes-3; Frequently-4; Always-5.


Delivery

CHAPTER - 7

Impact of Covid-19 on Food Delivery Platform Workers

A 32-year-old married graduate worker from a Tier 2 city worked as a full time (11-hour) delivery person with the platform. Seven people are dependent on his earnings since he is the only earner in the family. He owned a second-hand motorcycle at the time of the interview. He had been working with the platform since 2019 but his ID got deactivated because of someone else. This created problems for him for some time, but he managed to get his ID reactivated and started working again. Even though he worked less during the pandemic, the platform continued to send money on time for four to five months, which helped him a lot and he is deeply grateful to the platform for that. Before joining the platform, he worked as a daily wager after his college timings and earned approximately Rs 120 per day (around Rs 4,000 a month), and there were days when there was no work at all. He had to lift heavy loads in his previous job. He was better off after joining platform because he was earning Rs 12,000–15,000. He appreciated the grievance redressal of the platform as they supported delivery persons and listened to them in case of a conflict/complaint. The worker is not in favour of the duration of the shift (11 hours) and would appreciate a shorter shift duration and an increase in the pay out. He received timely payments. Once he tried to complain, but took a step back fearing that he would be blacklisted. He learned communication skills and customer management after joining the platform. The worker was happy working with the platform and did not want to switch jobs.

7.1 Introduction

The novel coronavirus (Covid-19) created a 'tsunami' the world over including India (NCAER 2020a). The sudden announcement of the national lockdown on March 25, 2020 without adequate preparation combined with its stringency, especially in the first phase of the lockdown, created a humanitarian, health and economic shock (NCAER 2020a). Consequently, the Gross Domestic Product (GDP) of India contracted by 23.8 per cent in the April–June quarter of 2020 (MoSPI website). Even though the economy opened up slowly in subsequent quarters, the Delta wave of the pandemic during April–June 2021 would leave another round of devastating impact. The third wave in the early months of 2022 was relatively milder. Nevertheless, it has been two years of a roller-coaster ride for India and the world, the long-term impact of which is going to be felt for a longer time (NCAER 2020b).

The objective of this chapter is to understand the impact of the pandemic on the food delivery platform workers. How did they fare through the crisis? What lessons does it have for the future?

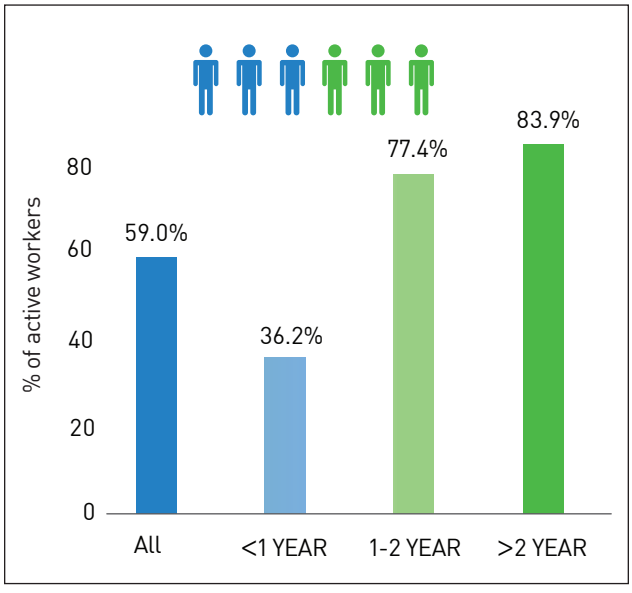
From Chapter 3, we know that 6.1 per cent of all respondents joined the platform due to job loss experienced during the pandemic, i.e., the platform acted as a social protection tool for many workers. 8.1 per cent of the active workers and 3.3 per cent of the inactive workers joined the platform due to Covid-19.

We posed Covid-19 questions only to active workers in the platform as a priori we had not stratified the sample based on status and tenure in a combined fashion. Therefore, the Covid-19 question may or may not have been relevant to many workers who either would have joined in the six months prior to the survey or left before 2020. Sensing that the sample size for inactive workers who would be active during Covid-19 would be relatively small for statistical analysis, we chose to ask these questions only of active workers.

7.2 Status of Activity during Covid-19

Overall, 59 per cent of the active workers were active during the pandemic. Across tenures, among those who were in the platform for less than one year, the corresponding figure was only 36.2 per cent. The corresponding figures for those in the platform between 1 & 2 years and more than 2 years were 72.4 per cent and 83.9 per cent, respectively (Figure 7.1). Plus, the relationship between tenure and activity status during Covid was statistically significant. Across city tiers, the percentage of active workers active during Covid was 60.3 per cent, 57.7 per cent and 57.6 per cent in Tier 1, 2 and 3 cities, respectively.

Figure 7.1 Share of Active Food Delivery Workers who were Active during either of the Three Phases of Covid-19



Source: NCAER Food Delivery Platform Workers Survey 2022.

Why were platform workers active during the pandemic? A simple logistic regression indicates that it was partially 'need driven' –the status of the wage earner in the household and the number of dependents in the household were some of the driving factors (Table 7.1). The tenure of the platform worker had a positive relationship with the probability of workers staying active in the platform – the higher the tenure, the higher the likelihood of their being active. A third variable that was important was the perceived helpfulness of the platform towards workers during health emergencies. (We did not probe the type of help that workers received from the platform.) The lower the rating, the lower the likelihood of being active during the pandemic.

Table 7.1 Dependent Variable: Probability of Platform Workers being Active during the Pandemic

Variable	Average Marginal Effects	Standard Error	z	P>|z|
Age	0.0005	0.001	0.390	0.694
Education skill category	0.014	0.011	0.850	0.396
Religion	(-)0.017	0.020	(-)0.190	0.849
Unemployed before joining the platform	0.036	0.022	0.720	0.473
Marital	(-)0.005	0.015	0.090	0.927
Status of wage earner (sole/ primary/ etc.)	(-)0.044**	0.011	(-)2.180	0.029
Number of dependents in the household	0.012*	0.004	1.610	0.106
Owned own home	0.033	0.028	0.550	0.585
Owned own land	0.121	0.054	1.300	0.195
Tenure	0.116***	0.015	4.260	0.000
City Tier	(-)0.016	0.012	(-)1.110	0.266
Helpfulness of platform during health emergency	0.010***	0.000	(-)13.190	0.000

Notes: Number of observations = 508
Wald $chi^2(11)$ = 44.45
Prob > chi^2 = 0.0000
***, ** and * indicates 1%, 5% and 10% level of significance.

7.3 Did the Food Delivery Platform Pay/Compensate for Sanitisers, Masks, etc.?

Overall, around 73 per cent of those who were active during either of the three waves of Covid-19 were provided with protective items like masks and sanitisers. This is statistically significantly related to type of city and tenure. A larger share of Tier 2 city workers reported that they were provided with protective items by the platform. There is a linear relationship across tenure, with older workers in the platform reporting higher coverage (Table 7.2).

Table 7.2 Share of Active Workers that were Provided Protective Items by the Platform

Type of City	% of Active Workers	Share of Active Workers that were active during Covid-19 who received protective items from the platform	Tenure	Share of Active Workers that were active during Covid-19 who received protective items from the platform
All	59.0	72.7	All	59.0
Tier 1	60.3	65.9	<1 year	58.5
Tier 2	57.7	82.3	> 1 year & 2 years	76.4
Tier 3	57.6	73.7	> 2 years	80.9

Source: NCAER Survey of Food Delivery Workers 2022.

7.4 Down with Covid-19 Virus?

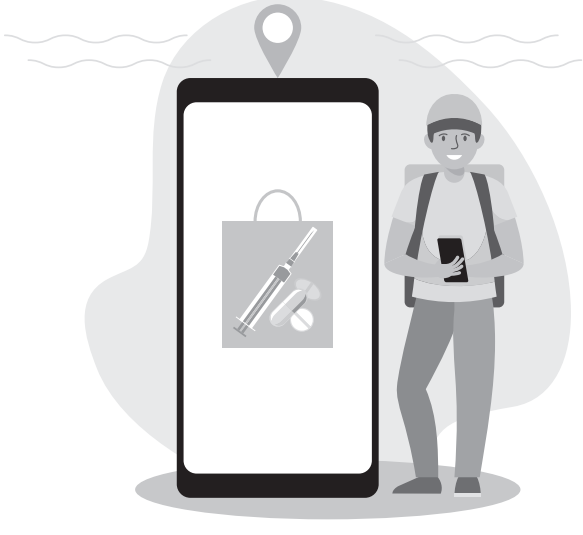
Around 12 per cent of the workers who were active during Covid-19 were infected with the virus. Of those 12 per cent, 33.3 per cent responded that their expenses were fully paid by the platform, 20.5 per cent said that their expenses were partially covered and 41 per cent responded that none of their costs were covered.

7.5 Vaccination Status

By end-May 2022, 88 per cent of the adult population was vaccinated with the second dose as per the Ministry of Health and Family Welfare website. In the NCAER survey, 93 per cent of the respondents were vaccinated with two doses of the vaccine. Only around one per cent had not received even a single dose of the vaccine. There was no difference across city tiers. Regarding who bore the expenses, for 66 per cent it was free, and for 18 per cent it was paid by the platform. Only 16 per cent had to bear the expenses themselves, with the figure relatively high in Tier 1 cities at 22 per cent and relatively low in Tier 3 cities at around 8 per cent.

7.6 Policy Implications

The policy implications are straightforward. While the platform did provide protection during the pandemic, the platform itself could do a better job of taking care of its workers especially during health emergencies, given that 41 per cent of the workers infected with Covid did not get any assistance from the platform. It did provide protection to its workers during the pandemic, but the degree of protection was inconsistent.



CHAPTER - 8

Which Workers were More Likely to Exit the Platform?

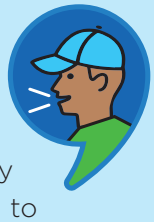
A 31-year-old graduate female worker in a Tier 2 city was the only earner in her family. While she was married, her family lived in a different State. She lived in a rented house in the city and used to work six days in a week in a 10-6 job in human relations. She had to leave the job due to the pandemic as the office reduced her salary. She worked on a short-shift basis and expected that the platform would help or pay for damages during food delivery. She had to replace the tyre at her own cost and didn't receive any help from the platform. She worked late to meet the daily targets. The worker recommended that the platform should introduce separate shift timings for women and women shouldn't get long-distance orders. She had no complaints about delays in receiving payment.

8.1 Introduction

The food delivery platform is characterised by high attrition rates. In the background data given to us, for 582 cities, 78.7 per cent of workers were inactive workers and only 21 per cent were active drivers (Table B.2 in Annexure A). In the NCAER survey 2022, the average duration of stay in the platform was 14.3 months for all respondents. Respondents with a tenure of more than two years formed only 21.7 per cent of our sample; for the majority (58.7 per cent), it was less than one year. For active workers it was 17.7 months, but for inactive workers it was only 9.6 months.

For 23.8 per cent of all respondents, the food delivery platform was their first job and within that students formed the largest category.

This chapter examines the third step in our 3-E perspective of entry, experience and exit. Here, we explore the reasons why workers exit the food delivery platform. Why do workers exit platform work? Why is the duration of work lower than their previous/alternative jobs? What are the push and pull factors?

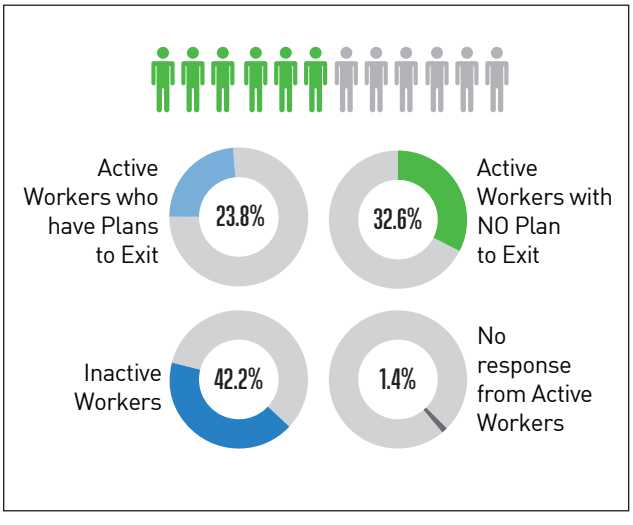


A 41-year-old male worker from another Tier 2 city owned an unprofitable hardware store. He started working with the food delivery platform during the lockdown to support a family of five. He then switched to another food delivery platform because he had to work six days a week on the food delivery platform to make enough money whereas the new platform was more flexible and consistent in providing daily earnings irrespective of the number of days worked in a week.

8.2 Share of Workers Who Have Either Exited the Platform or Plan to Leave

Among all the workers, 23.8 per cent were looking for new jobs or were planning to leave the platform and another 42.2 per cent had already left this particular platform or had remained inactive for more than 180 days. Thus, in total, 66 per cent of all the workers surveyed had either left or were planning to leave (Figure 8.1).

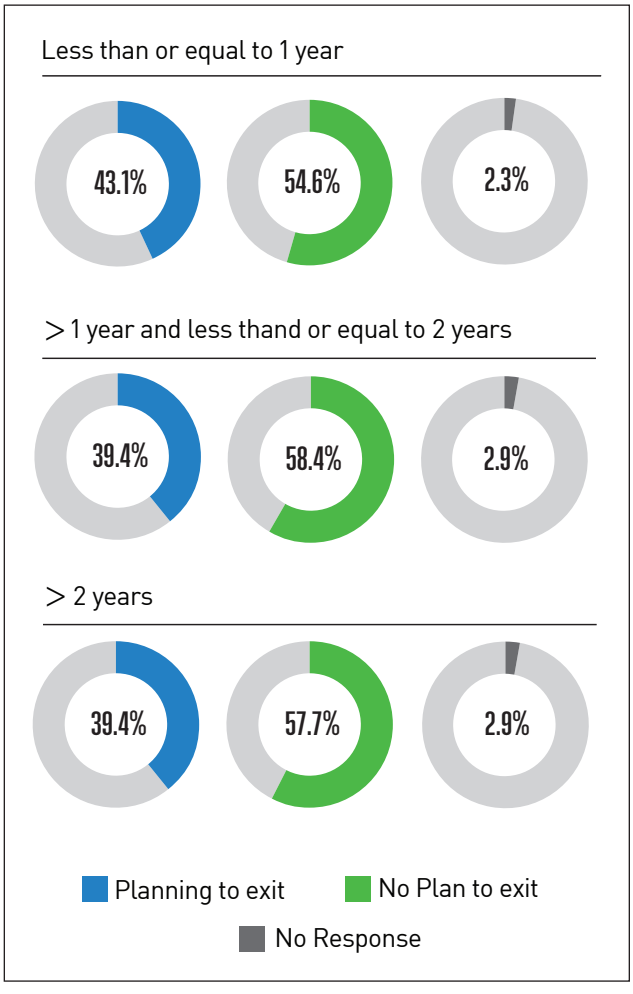
Figure 8.1 Exit Plan of all Respondents (% of all Respondents)



Source: NCAER Survey of Food Delivery Workers 2022.

There are no statistically significant differences across city tiers, but there were differences across tenure. The share of active workers with tenure less than one year who wanted to leave was 43.1 per cent (Figure 8.2). In contrast, the share of active workers with tenure greater than one year and less than two years and greater than two years planning to exit were 39.4 per cent each.

Figure 8.2 Exit Plan of all Respondents (% of Active Respondents by Tenure)



Source: NCAER Survey of Food Delivery Workers 2022.

8.3 Which Workers were More Likely to Exit the Platform?

In this section we explore the characteristics of workers who are more likely to exit. We divided the explanatory variables into three types – workers' characteristics, platform work experience, and reasons for joining the platform. Preliminary estimates from the logit regression (Table 8.1) indicate that the higher the education skill category, the higher the likelihood that the worker will exit. Workers with lower tenure were also more likely to exit.

Table 8.1	Dependent Variable: Probability of Exit among Workers (Dependent Variable 1- Stay; 0: Exit)

Variable	Average Marginal Effects	Standard Error	Z	P>|z|
Workers' Characteristics				
Education	(–)0.04*	0.02	(–)1.9	0.06
Age	0.002	0.002	1.01	0.3
Tenure	0.06***	0.02	3.2	0.001
City Tier	(–)0.02	0.02	(–)0.7	0.48
Previous job was in a platform	(–)0.08	0.05	(–)1.5	0.15
Long-shift/Short-shift	(–)0.05	0.03	(–)1.6	0.11
Platform Work Experience				
Learnt Nothing from Platform	(–)0.14***	0.03	(–)4.0	0.0
Stress	0.03**	0.01	2.3	0.02
Ease of Changing Zone	(–)0.002***	0.0006	(–)2.5	0.01
Reasons for Joining the Platform				
Reason for joining_ flexible work hour	0.13**	0.04	2.9	0.004
Reason for joining_ higher income	0.15***	0.03	4.5	0.0
Reason for joining_ flexible season	0.14*	0.08	1.8	0.07
Reason for joining_ better work environment	(–)0.08*	0.05	(–)1.7	0.09
Reason for joining_ regular receipt of payment	(–)0.05	0.05	(–)1.0	0.30
Reason for joining_ receipt of payment in bank account	(–)0.13**	0.05	(–)2.9	0.004
Reason for joining_ loss of job	0.0844	0.07	1.3	0.21

Source: NCAER Survey of Food Delivery Workers 2022.

Notes: No. of observations=887; Wald chi^2 (16) = 90.40, Prob > chi^2= 0.0000.
***, ** and * indicate 1%, 5% and 10% level of significance.

Workers who experienced high stress, learnt nothing from the platform and found challenges in changing zones were more likely to exit the platform. Workers who joined the platform for a better work environment or regular receipt of payments were also more likely to leave. However, workers who joined the platform due to higher income, flexible work/hours, flexible seasons and previous job loss were more likely to stay in the platform.

Skilled workers tend to opt out of platform work. Further, workers with lower opportunities outside the platform tend to continue in the platform. This is what we heard in the Focus Group Discussions (FGDs) too where workers said that they were not getting any work outside the platform or there were limited opportunities outside. The evidence would suggest that workers were self-selecting into platform work. When aspirations or expectations from platform work do not meet actual experiences, workers tend to leave.

8.4 Why did Workers Exit and What did They do Next?

8.4.1 Why did Workers Exit?

We asked inactive workers why they remained inactive or had exited. About a quarter of inactive workers cited higher income in the new job (outside the platform)/business (26.4 per cent), 8.2 per cent said that they went back to their previous job/ business and 6.9 per cent of workers left for family reasons (Table 8.2). However, 2.1 per cent of inactive workers said less travel in the new job was their reason to leave food delivery platform work. 3.6 per cent said that there was better social security in the new job and 2.1 per cent responded that there was paid leave in the new job. 12.8 per cent of inactive workers left due to family issues and 11.5 per cent of workers left due to issues with the platform (like rude behaviour of the platform team, payment delays, grievances not heard etc.). Other reasons for leaving the platform included increased fuel costs during 2022 that lowered their real incomes.

Table 8.2 Why have you Remained Inactive/Exited? (% of Inactive/Exited Workers)

Reasons the Respondents Remained Inactive/Exited	Tier 1	Tier 2	Tier 3	All
Missing	2.6	7.5	7.5	4.9
Higher income in new job	26.4	25.2	25.2	26.4
Other	17.6	6.8	6.8	13.6
Family issues	10.9	15	15	12.8
Issues with food delivery platform	11.9	13.6	13.6	11.5
Back to previous job/business	7.8	8.2	8.2	8.2
More difficult to achieve targets	6.2	4.8	4.8	5.4
Better social security in new job	3.6	3.4	3.4	3.6
For higher studies	2.6	4.1	4.1	3.1
Paid leave in new job	1	3.4	3.4	2.1
Less travel in new job	0.5	4.1	4.1	2.1
Increased competition in food delivery platform	2.1	2	2	1.8
Bike issues	3.6	0	0	1.8
Lower stress in new job/ business	0.5	1.4	1.4	1.3
Family didn't allow person to work during Covid	2.1	0	0	1
Suffered from long Covid	0.5	0.7	0.7	0.5

Source: NCAER Survey of Food Delivery Workers 2022.

8.4.2 Post-platform Engagement of Food Delivery Platform Workers

What are workers doing after exiting the platform? Table 8.3 gives an account of the present engagement of workers who left the platform, either exiting completely or being inactive.

Table 8.3 **Present Engagement of Inactive/Exited Platform Workers (% of Inactive/Exited Workers)**

Engagement	All	Tier 1	Tier 2	Tier 3
New job	39	44	32.7	38
Back to my previous job/ business	17.2	19.2	12.9	22
Not left, but on leave	12.1	8.8	15	16
Joined other platform	9.7	10.9	10.9	2
Back to studies	7.2	2.6	12.2	10
New own business	6.7	5.7	6.1	12
Others	4.9	5.7	5.4	-
No response	3.3	3.1	4.8	-
Total	100	100	100	100

Source: NCAER Survey of Food Delivery Workers 2022.

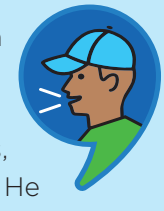
Overall, 39 per cent of the platform workers who left the platform were engaged in some new job; the figure in Tier 1 cities was 44 per cent and in Tier 2 cities it was relatively lower at 32.7 per cent. 17.2 per cent of the inactive/ exit workers went back to their previous job; the figures for Tier 1, Tier 2 and Tier 3 cities were 19.2 per cent, 12.9 per cent and 22 per cent, respectively. Overall, 9.7 per cent had joined other platforms with the figure being relatively higher in Tier 1 and Tier 2 cities.

Overall, 7.2 per cent workers had gone back to studies; the numbers for Tier 1, Tier 2 and Tier 3 cities were 2.6 per cent, 12.2 per cent and 10 per cent, respectively. Of the 7.2 per cent workers who had gone back to studies, 71 per cent were students prior to joining the platform. Instead of doing nothing and waiting, are workers working and waiting? Bringing back the point made by Jeffrey (2010), is platform work addressing a structural issue of productive waiting or a productive & remunerative 'time pass'? It is not creating jobs but is productive waiting.

12.1 per cent of workers responded that they had not left the platform but were on leave; this number was higher for Tier 2 and Tier 3 city workers. This flexibility story is one often heard. One respondent said that they took a holiday and then came back to work.

Does experience in the food delivery platform provide a step-up for workers? Table 8.4 gives an account of whether the platform experience was helpful in the case of workers who joined new jobs. Overall, 38.2 per cent viewed platform experience as useful (either useful or very useful) in their new jobs. The figure was relatively higher in Tier 2 cities at 52.1 per cent, and relatively low in Tier 1 cities at 29.4 per cent. In contrast, 19.7 per cent of those joining new jobs said that platform experience was completely irrelevant, with the corresponding figure relatively more disheartening in Tier 3 cities at 31.6 per cent.

Specifically, 43.1 per cent of inactive/exited workers responded that they learned GPS. The numbers for knowledge of roads, customer handling and speaking English were 53.3 per cent, 49.2 per cent and 15 per cent, respectively. About a third (33 per cent) of inactive/exit workers responded that they learnt nothing from platform work.



A 32-year-old worker from a Tier 1 city with a diploma joined the food delivery platform for four months, inspired by an advertisement. He was not able to meet the daily targets due to tough competition and returned to his professional work of painting and earning Rs 30,000 a month.

Table 8.4	Usefulness of Platform Experience in New Jobs (%)

Ratings	All	Tier1	Tier2	Tier3
Platform experience Useful in new jobs				
Completely irrelevant	19.7	21.2	12.5	31.6
Not so useful	15.1	18.8	8.3	15.8
Average	27.0	30.6	27.1	10.5
Useful	29.6	21.2	41.7	36.8
Very useful	8.6	8.2	10.4	5.3
Platform experience helped get higher pay				
Yes	32.2	31.8	33.3	31.6
No	46.1	47.1	45.8	42.1
Maybe	20.4	20.0	20.8	21.1
No response	1.3	1.2		5.3

Source: NCAER Survey of Food Delivery Workers 2022.

Regarding whether the platform experience helped them get higher pay in their new jobs, 32.2 per cent answered in the affirmative, with not much difference across city tiers. Another 20.4 per cent were of view that it might have. 46.1 per cent said it did not.

In sum, platform experience is useful and does provide a step-up to workers most of whom go on to find new jobs for higher pay.

8.5 Are Respondents better off after Leaving Platform Work?

Table 8.5 gives an account of the change between platform work and new engagements of inactive/ exit workers in terms of intensity of work and earnings. This table corresponds only to full-time exit/inactive workers who responded to questions on both platform and post-platform jobs.

As can be seen from the table, the numbers of working hours in a day have come down significantly in the post-platform engagements of inactive/ exit workers (10.9 hours in the platform vs. 8.6 hours in post-platform engagement). There was not much variation across city tiers. The number of working days a week had not changed much. Regarding the distribution of earnings in platform jobs versus post-platform jobs, the share of the workers coming under higher income brackets increased. Overall, around 51 per cent of workers were earning above Rs 15,000 while in the platform; this went up to around 67 per cent. In Tier 1 cities the increase was from around 65 per cent to around 76 per cent. Regarding the change in earnings between platform and post-platform engagements, 37.8 per cent reported an increase; the figures for Tier 1, Tier 2 and Tier 3 cities were 34.6 per cent, 39.1 per cent and 47.4 per cent, respectively. However, 23.8 per cent reported a decline in earnings between platform and post-platform engagements, with the figure relatively higher at 26.3 per cent.

A 25-year-old graduate unmarried short-shift worker in a Tier 1 city worked for a month in the food delivery platform. He had an issue with his mobile number and was not happy with his shift timings. The worker raised a complaint but nobody looked into it. Therefore, he left. However, he would be happy to work full time on weekends.

Table 8.5 Change between Platform Job and New Engagement of Inactive/Exit Workers (%)

	Hours a day		Days a week		Distribution of Income range (platform)				Distribution of Income range (post- platform)				Change in Earnings between platform and post-platform work		
City Tier	P	PP	P	PP	<Rs 10K	Rs10K-15K	Rs15K-20K	>Rs 20K	<Rs 10K	Rs10K-15K	Rs15K-20K	>Rs 20K	In-crease	No Change	De-crease
Tier 1	11.3	8.9	6.1	6.4	17.9	16.7	28.2	37.2	2.6	21.8	35.9	39.7	34.6	42.3	23.1
Tier 2	10.5	8.2	6.4	6.1	37.0	28.3	10.9	23.9	21.7	19.6	30.4	28.3	39.1	37.0	23.9
Tier 3	10.4	8.5	6.1	5.9	36.8	31.6	5.3	26.3	21.1	26.3	21.1	31.6	47.4	26.3	26.3
All	10.9	8.6	6.2	6.2	26.6	22.4	19.6	31.5	11.2	21.7	32.2	35.0	37.8	38.5	23.8

Source: NCAER Survey of Food Delivery Workers 2022.

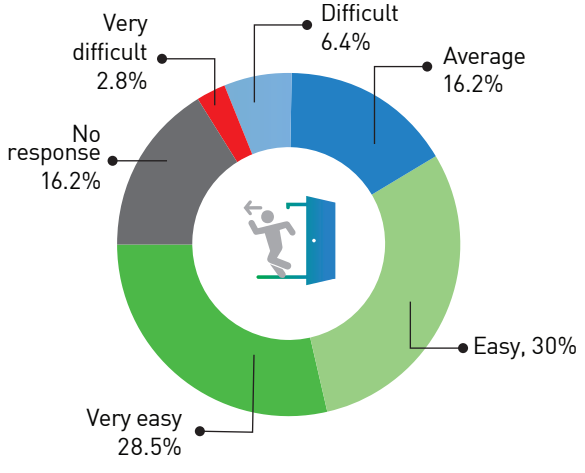
Note: P=Platform Work, PP=Post-Platform Work

8.6 Exit Process

Respondents generally found it easy to exit platform work (Figure 8.3). The average score was 4.1. We do not distinguish between workers who have formally exited or who are just inactive.

Only 13.6 per cent of inactive/exited workers responded that they would definitely join back; these are people who were 'on leave'. Only 22.3 per cent of inactive/exited workers said that it is difficult to re-join.

Figure 8.3 How 'Easy' was the Exit Policy? (% of Inactive/Exited Workers)



Source: NCAER Food Delivery Platform Workers Survey 2022.

8.7 Summing Up

Attrition rates are quite high in food delivery platform work. Higher educated workers, workers experiencing high stress during platform work and those who learn nothing from platform work are more likely to leave. Exiting and re-joining are easy. On average, after exiting workers earn higher incomes and work fewer hours; therefore, they are better off. However, platform work offers flexibility. It does provide step-up opportunities to workers. And it addresses the structural 'time pass' issue of youth, i.e., instead of waiting endlessly to qualify, they use their time productively before they return to studies.

The platform provides a good stop-gap for people to earn while they get a more permanent job. And the majority of people joining the platform have no intention of remaining in the platform for an extended period. This is productive wait and then they go on to better opportunities – studying or working.

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Annexure A: Sampling Strategy

NCAER conducted a telephone survey of 924 food delivery platform workers from one particular food delivery platform spread across 28 cities with representation from all city types (Tier 1, 2 and 3 cities), regions (North, South, East and West), activity status of workers (active and inactive/ exited), tenure of workers in the platform (less than 1 year, 1-2 years and more than 2 years) and engagement type (full time and part time). The following steps were involved in the process, starting from conceiving the study until receipt of survey outputs in both Google forms spreadsheets and complete audios of the interviews.

The timeline for the entire process is given below in Table A.1.

Table A.1 Timeline for the Survey of Food Delivery Platform Workers

Particulars	Nov-21	Dec-21	Jan-22	Feb-22	Mar-22	Apr-22	May-22
Inception meeting with decision makers of a food delivery platform							
Receipt of city-wise delivery worker's data							
Focus Group Discussion							
Questionnaire development							
Pilot survey							
Questionnaire finalisation, city selection, translation of questionnaire into regional languages							
Receipt of universe for the selected city							
Agency selection and training of interviewers							
Survey of food delivery workers							

Source: NCAER.

1. Brainstorming with Decision Makers of a Food Delivery Platform

A one-day brainstorming session was held with decision makers of one of the main food delivery platforms facilitated by the sponsors in November 2021. The primary objective of the session was to understand the way a food delivery platform works. This was with regard to knowing the difference in work

arrangement between platform workers and traditional employees/ workers; the role played by the platform in connecting restaurants, delivery platforms and customers; type of work arrangements; payment structure; grievance redressal mechanism; access to social security benefits; etc.

2. Focus Group Discussions (FGDs) in 3 Cities, 1 in each City tier

Before conceptualising and framing the detailed questionnaire, the team conducted Focus Group Discussions (FGDs) with food deliver workers in three cities, one in each city tier. The cities chosen were Delhi (Tier 1), Chandigarh (Tier 2) and Panipat (Tier 3). The three FGDs revealed significant differences across tiers in the socio-economic status of workers and the operations of the company in various areas such as the domicile status of workers (migrants versus local workers), the following of rules like shifts and zones, guaranteed and ratings-based payments to workers, and the education levels of workers. Cities may be divided into many zones. Mumbai had 75 zones. During the field survey, it was found that food delivery workers could not pick up deliveries from other zones in Tier 1 cities though this did not apply in Tier 2 and Tier 3 cities; in smaller cities, workers could pick up orders from any zone and deliver them to any zone. In view of the prevalence of inter-city and intra-(Tier 1) city differences, it was perceived that workers should be analysed across all these three types of cities (tiers).

3. Developing the Questionnaire

The questionnaire for the survey of food delivery workers was primarily based on 3-E concepts, namely, Entry, Experience and Exit. Questions were framed around these three concepts.

The questionnaire starts with the Consent Statement where the respondent is informed about the study, its nature and objectives, and his consent is taken before beginning the questionnaire with him/ her.

The next section of the questionnaire captures personal details and the background of respondents. This covers their demographic details like age, gender, marital status, education, household size, migration status, number of dependents, asset ownership, access to social security benefits like Public Distribution System (PDS) and health care, etc. Then it captures the experience of the respondents before they joined the food delivery platform. It covers their past occupation, work arrangement with employers, length and duration of work, income, method of receipt of payments, welfare benefits provided by employers and their satisfaction level in the job on various aspects.

The next section is about entry to the platform. This captures their expectations and the reasons for joining the platform, duration of unemployment before joining it, recruitment process and entry barriers, receipt of training and subject matter of training, etc.

Then the questionnaire captures work experience in the platform. It covers areas like duration and nature of engagement, intensity of work and income, change in the work environment with regard to achieving targets that ensure incentives, upskilling and reskilling while in the platform, Covid-19 experience while in the platform and how the platform catered to their needs during the pandemic, their control over various activities on the platform and the change in work/ incentive preference they want in the platform, the inbuilt grievance redressal mechanism (GRM) to address their grievances with regard to changing zones and shifts, conflicts with restaurants and customers, payments, receipt of health care benefits, etc.

The next section is about the exit strategy of active and exit procedure of the inactive/ exited workers. This covers areas like whether they were looking for other jobs (active workers) and the type of job they were looking for, if the platform experience would be helpful, how easy/ difficult it was to exit the platform (inactive/ exit workers), where they were placed after leaving the platform and how different it was from the platform job.

4. Pilot Study

The pilot study of food delivery platform workers of a company was carried out in six cities across three tiers. The Tier 1 cities were Ahmedabad and Bengaluru, the Tier 2 cities were Guwahati and Vishakapatnam and the Tier 3 cities were North Goa and Jalandhar. These interviews were carried out via telephone by the NCAER team between 18th and 23rd January 2022. The names and numbers were provided by the company. The objective was to field test the questionnaire.

The key insights that came out from the pilot can be summarised as follows:

1. The platform acted as a shock absorber for workers in urban areas during the pandemic.
2. The composition of the workforce in this company was different from the all-India picture because it attracted a more educated workforce.
3. The composition of the workforce differed by city tier. A larger share of workers were migrants in both Tier 1 and 2 cities. The migrant population tended to be relatively less educated, living in rental homes and had some access to food rations. In Tier 3 cities, people found this job within their home town and the workforce was also relatively more educated. They were living in their own homes and many of them did not have access to food rations suggesting that they were economically better-off.
4. The question that arises is whether the food delivery platform work is also filling the gap for educated unemployed youth. The relatively more educated workers living in Tier 3 cities or people working in cities from areas less than 50 km away suggests that. This is also in line with the Focus Group Discussion that we had in Panipat.
5. Platform workers have little access to government social welfare benefits other than food rations.

5. Sampling Strategy for Delivery Workers

The sampling methodology was developed based on consultations with the company and inputs taken from FGDs and the pilot survey.

1. Background: Overall Information About the Cities based on Data Provided by the Food Delivery Platform Company

In view of the prevalence of inter-city and intra-zone (Tier 1 cities) differences, workers should be analysed across three types of cities (tiers) and zones (in Tier 1 cities). Annexures A.2 and A.3 depict the characteristics of delivery workers in three different types of cities.

Table A.2 Percentage of Inactive and Active Food Delivery Workers in Tier 1, 2 and 3 Cities

City Tier	Number of Cities	Inactive Driver (%)	Active Driver (%)	Total
Tier 1	8	76.37	23.63	100
Tier 2	100	81.93	18.07	100
Tier 3	474	83.16	16.84	100
Total	582	78.70	21.30	100

Table A.3 Percentage Share of Delivery Workers across Tier 1, 2 and 3 Cities

City Tier	Active	Inactive	Total
Tier 1	66.07	57.8	59.56
Tier 2	28.83	35.4	33.99
Tier 3	5.1	6.8	6.45
Total	100	100	100

Source: Food Delivery Platform Company.

In most of the cities, the company is directly responsible for managing the on-ground operations of the delivery workers. This includes hiring, payment, training, and grievance management, among other things. Further, it was found that the company's operations in some of the cities were managed by a third party. Those were there in small cities (by order volume), and mainly fall under the categories of Tier 2 (wherein the operations in 15 per cent of the cities are overseen by a third party) and Tier 3 (wherein the operations in 36 per cent of the cities are overseen by a third party). This third party is responsible for hiring, payments, grievance management, and all on-ground operations. The relevant application has been designed by the company using the latest in-house technology. They are also called Sourcing and Distribution (S&D) partners.

There are three sets of drivers or workers in the company's database—active, inactive, and those who have exited (Table 3). Among active workers, the ratio of long-shift to short-shift workers is 54:46, which is effectively a 50:50 ratio. This classification is automatically done by the company's operations dashboard.

A. Active (working with the company): Any delivery worker who has been working with the company will be considered an Active Delivery worker, and will continue to remain in Active status till a period of 180 days (120 for Bengaluru) from the last login date.

B. Inactive: There are three types of inactive workers.

   a. Suspended: This includes workers who have been suspended for either of the following reasons:

      i. Any behavioural issue/disciplinary action, which leads to suspension from the platform for a fixed number of days;

      ii. The delivery worker will be converted to a suspended state after 180 days of inactivity. They will stay in this state for 7 days (from the 181st to the 188th day after inactivity).

   b. Absconded: After 188 days of inactivity, the delivery worker concerned is moved to an absconded state. If the absconding person wishes to resume working with the company, they can visit the local office and complete the re-joining formalities and resume working. If the delivery worker has re-joined/re-activated, the company will assign delivery workers under the latest shifts with the same DP ID.

   c. Blacklisted: This category includes workers against whom disciplinary action has been taken due to serious behavioural issues, and such workers are not allowed to join back.

C. Exit: These are workers who have formally submitted their resignation requests. Once their requests have been processed and the full and final settlement of the delivery worker has been done, the delivery worker is marked as 'Exit' (implying that the worker has left the company) in the operations database. Exited workers are those who have submitted all the inventories and returned floating cash (if any).

Table A.4 shows the distribution of active workers by tenure across city types.

Table A.4 **Share (%) of Active Delivery Workers by Tenure across Tier 1, 2, and 3 Cities**

City Tier	≤ 1 Year	> 1 and ≤ 2 years	> 2 years
Tier 1	62.6	10.6	26.8
Tier 2	65.6	8.7	25.6
Tier 3	70.2	9.4	20.8
All	64.1	9.9	26.0

Source: Food Delivery Platform Company.

2. Region-wise Distribution of the Sample

The States and Union Territories (UTs) are divided into four regions—North, South, East, and West (Table A.5). Cities are grouped under regions depending on the State/UT they belong to. Cities were selected from all four regions to ensure equal representation.

Table A.5	Region-wise Distribution of the States and Union Territories
Zone of the Country	**Name of the State/Union Territory**
North	Chandigarh, Delhi, Haryana, Himachal Pradesh, Jammu & Kashmir, Ladakh, Punjab, Uttarakhand and Uttar Pradesh
East (including North-east)	Assam, Arunachal Pradesh, Bihar, Jharkhand, Manipur, Meghalaya, Mizoram, Nagaland Odisha, Sikkim, Tripura and West Bengal
West	Chhattisgarh, Daman & Diu and Dadra & Nagar Haveli, Goa, Gujarat, Madhya Pradesh, Maharashtra and Rajasthan
South	Andhra Pradesh, Karnataka, Kerala, Puducherry, Telangana and Tamil Nadu

3. Sampling Strategy

3.1 Selection of Cities and Samples

There are two ways of selecting the cities and samples. One can either select a small number of cities with a higher number of delivery workers per city, or a larger number of cities with relatively fewer delivery workers per city. In our FGDs, we found that the characteristics of the delivery workers within the cities were homogeneous. However, the workers in different cities have different characteristics, that is, they were heterogeneous. We chose the latter option to capture the heterogeneous characteristics of delivery workers across a wider geographical spread.

Cities categorised into the three tiers were chosen from each geographical region. All eight cities in Tier 1 have been included since Tier 1 cities account for a larger share in the total number of delivery workers. The following sampling method has been used to pick the 12 Tier 2 and 8 Tier 3 cites, that is, 3 Tier 2 cities and 2 Tier 3 cities from each geographical region.

1. The city that has the maximum number of workers in the given geographical region among the Tier 2/Tier 3 cities was selected with certainty (i.e. probability 1).
2. From among the remaining Tier 2 cities in each geographical region, two Tier 2 cities were selected according to the simple random sampling method without replacement. In case of Tier 3 city,one city was selected by simple random sampling. To ensure sufficient number of delivery workers in each group, it was decided to include only those cities for random selection of cities where there are at least 100 delivery workers. Only five per cent of the workers were working in cities with less than 100 workers. The shares of cities excluded across regions were 12.3 per cent were in the eastern region, 17.8 per cent in the North, 31.1 per cent in the South and 38.8 per cent in the West. We did not separately stratify the S&D cities. However, a sufficient number of third-party cities were selected through the random selection method.
3. Within each Tier 1 city, we selected four zones. First, we arranged the zones in descending order of number of delivery workers. The zone with the maximum number of delivery workers was chosen with probability one. The remaining three zones were selected using simple random sampling method without replacement.
4. While selecting zones and stratifying workers across various categories in Tier 2 and 3 cities, we were left with very few workers in each group in many cities and so we dropped the zone selection in these two tiers and drew the workers across groups from the entire city.

In sum, we surveyed delivery workers across 28 cities (Table A.6) equally spread in all four regions. Further, in each Tier 1 city, there are four zones.

Table A.6 Number of Cities and Zones for the Study

Type of City	Number of Cities	Number of Company Zones per City	Total Number of Company Zones
Tier 1	All 8 cities	4	8*4=32 zones
Tier 2	12 cities, 3 from each geographical region	NA	NA
Tier 3	8 cities, 2 from each geographical region	NA	NA
Total	28 cities		

Source: NCAER.

We selected 14 workers randomly from each zone in the Tier 1 cities. They were distributed across the activity status of the workers—active, inactive and exit. The active workers have further been divided into three groups based on their tenures to capture the differing perceptions of the workers about the pre-Covid and post-Covid situations. Consequently, we have five categories of workers (Table 6). Thus, in each Tier 1 city, the sample size becomes 56. However, in Tier 2 and 3 cities, zones were not selected but the distribution of workers across groups remains the same. In each Tier 2 and 3 city, the total sample taken is 28 and 14, respectively, with distribution across the five groups remaining the same.

Table 3 shows that the share of active delivery workers under the 'less than or equal to 1 year tenure' category is higher than the shares in the other two categories. Hence, we decided to take more samples from each zone under the first category (≤ 1 year) than from the other two categories (> 1 year & ≤ 2 years and > 2 years).

We had to draw samples from five groups of workers with both varying degrees of representation in the company and varying degrees of heterogeneity. Thus, taking the same number of samples (say, 2) from each group would be inappropriate. Since within the category of active workers, the share of those falling in the ≤ 1 year group was higher (around 65 per cent), we took four workers from this group in each zone in Tier 1 cities and 8 and 4 workers in Tier 2 and 3 cities, respectively. In other two active worker groups (> 1 year & ≤ 2 years and > 2 years), the sample in each zone in Tier 1 cities would be 2 each, and it would be 4 and 2 each in Tier 2 and 3 cities, respectively. Similarly, the inactive group accounts for quite a large share (around 79 per cent) in this universe. Further, these workers are assumed to be quite heterogeneous given that the period they remained out of the company's operation is substantially higher. For this, we took four workers from this group in each zone of Tier 1 cities and 8 and 4 workers in Tier 2 and 3 cities, respectively. Finally, we took another 2 exit workers in each zone in Tier 1 cities and 8 and 4 workers in Tier 2 and 3 cities, respectively. Given that inactive workers are those who have not logged in for a long period (more than 180 days), there would be no difference between inactive and exit workers, except that the latter have formally resigned. That is why we did not separately stratify the inactive and exit workers but stratified them together. Thus, we had 6 inactive /exit workers from each Tier 1 city zone and 12 and 6 inactive /exit workers from Tier 2 and 3 cities, respectively.

The computations suggest that we choose 896 workers spread across 28 cities (Table A.7).

Table A.7 Distribution of Sample among Various Categories of Food Delivery Platform Workers (allotted)

City Tier	Active Workers			Inactive/Exit Workers	Total Sample
	≤ 1 year	> 1 Year & ≤ 2 Years	> 2 Years		
Tier 1	4* 32 zone	2* 32 zone	2* 32 zone	6 X 32 zone	448
Tier 2	8*12 cities	4*12 cities	4*12 cities	12*12 cities	336
Tier 3	4*8 cities	2*8 cities	2*8 cities	6*8 cities	112
Total	256	128	128	384	896

Source: NCAER.

The total sample allocation among the three tiers of the cities was as follows: Tier 1 is 50 per cent, Tier 2 is 37 per cent, and Tier 3 is 13 per cent. This was close to the distribution of delivery workers across tiers in the population with marginally more workers taken from Tier 3 cities to ensure the selection of a significant number of workers within that group.

The workers in each group in each zone were selected using simple random sampling method with replacement. The company shared the entire database for the selected cities with us which enabled us to choose zones (Tier 1 cities) and therefore food delivery workers randomly.

3.2 Sample Selection in Different Cities across Tiers

Annexures A.8 to A.10 show the show the sample selection of food delivery platform workers in different types of cities.

Table A.8 Percentage Share and Sample of Total Food Delivery Platform Workers in Selected Tier 1 Cities

S. No.	Regional Zone	City Name	Geographical Location	% of Total No. of Delivery Workers	Zone	Sample
1.	West	Ahmedabad	West	3.33	4	56
2.	South	Bangalore	South	26.12	4	56
3.	South	Chennai	South	11.12	4	56
4.	North	Delhi	North	12.14	4	56
5.	South	Hyderabad	South	16.13	4	56
6.	East	Kolkata	East	6.60	4	56
7.	West	Mumbai	West	17.85	4	56
8.	West	Pune	West	6.73	4	56
		Total		100	16	448

Source: NCAER.

Table A.9 Percentage Share and Sample of Total Food Delivery Workers in Selected Tier 2 Cities

S. No.	Regional Zone	City Name	Geographical Location	% of Total No. of Delivery Workers	Zone	Sample
Sample Selection Based on Highest Total Numbers of Workers (Probability 1)						
1.	South	Coimbatore	South	5.30	2	28
2.	West	Jaipur	West	5.08	2	28
3.	North	Lucknow#	North	4.13	2	28
4.	East	Guwahati	East	3.28	2	28
Sample Selection Based on Random Sampling						
5.	East	Bokaro*	East	0.25	2	28
6.	East	Patna*	East	1.59	2	28
7.	North	Gorakhpur	North	0.56	2	28
8.	North	Meerut	North	0.56	2	28
9.	South	Palakkad	South	0.11	2	28
10.	South	Kakinada	South	0.47	2	28
11.	West	Nashik	West	1.39	2	28
12.	West	Central Goa	West	0.10	2	28
	Total					336

Source: NCAER.

Note: #Gurgaon was the largest Tier 2 city in terms of the total number of delivery workers. However, given its proximity to Delhi and the fact that its dynamics are influenced by Delhi, we leave that city out.
* These are cities where the platform is managed by a third party.

Table A.10 Percentage Share and Sample of Total Food Delivery Workers in Selected Tier 3 Cities

S. No		City Name	Regional Zone	% of Total No. of Delivery Workers	Zone	Sample
Sample Selection Based on Highest Total Numbers of Workers (probability 1)						
1.	North	Jalandhar	North	4.83	1	14
2.	East	Agartala	East	3.66	1	14
3.	West	Udaipur*	West	2.90	1	14
4.	South	Manipal	South	2.16	1	14

(Contd.)

Table A.10: Contd.

S. No		City Name	Regional Zone	% of Total No. of Delivery Workers	Zone	Sample
Sample Selection Based on Random Sampling						
1.	East	Gaya*	East	0.44	1	14
2.	North	Sirsa	North	0.27	1	14
3.	West	Waidhan	West	0.29	1	14
4.	South	Vizianagaram*	South	0.52	1	14
	Total					112

Source: NCAER.

Note: *These are cities where the platform is managed by a third party.

4. Institutional Review Board (IRB) Approval: Human Subjects Protocol

At the time of data collection it was observed that in some Tier 3 cities the required number of delivery workers in some sub-groups (like active and inactive and within active, tenure of less than one year, 1 to 2 years and more than 2 years) were not available. In such situation, the compensation for the shortfall in required number of workers in the given sub-groups was made by increasing the quota in other cities from the same city tier and region.As the survey involved the participation of human subjects, IRB approval was required which would ensure the dignity, rights, safety and well-being of the participants. The team sought the permission of the NCAER IRB to initiate the fieldwork with the following assurances given.

- Eligible respondents were included in the survey if they orally agree to the consent/ assent statement based on the consent form. Consent statement was read out in the native language of the area of the interview. There would be absolutely no element of coercion for the field survey.
- Confidentiality of respondents: The Masterfile of Google Form responses will be stored in the NCAER server. Every respondent will be given a unique ID. The Masterfile will be de-linked and stored in an anonymized fashion using the unique ID, which will be used for further processing of the data. Respondent details would not be shared with any stakeholder and only public information would be shared in an aggregated fashion.
- The company shared the names of the responses with NCAER. However, we would not be sharing the individual responses of the workers with the company. This is the methodology we followed in the pilot survey too.

5. Survey of Food Delivery Platform Workers

Based on the pilot experience, iterations were made to the questionnaire to make it more responsive, insightful and relevant. Upon receipt of city-wise data for all the cities where the selected food delivery platform was present, cities were chosen randomly with representation from each of the three city tiers and regions. Since Tier 1 cities accounted for the majority of the workers, all 8 Tier 1 cities were chosen. Then 12 Tier 2 cities and 8 Tier 3 cities were chosen with equal representation from each region. In each region and tier, the city with the maximum number of delivery workers was chosen with probability 1. The remaining cities were chosen randomly.

The survey involved the following steps:

a. Selection of agencies and translation of the questionnaire into regional languages: Since questions were to

be asked in the local languages of the selected cities, local agencies in each of the selected regions were selected. Expression of interest from all the NCAER empanelled agencies were asked and then the agencies were selected through due process. Then the questionnaire was translated into eight regional languages (Hindi, Bengali, Telugu, Kannada, Tamil, Assamese, Marathi and Gujarati) before the training of interviewers.

b. Online training of the interviewers: Two-day training of the interviewers was conducted. The first part of training involved going through the questionnaire to make them understand the importance of each question, how they have to approach the respondents by first taking their consent, etc. The next part of the training was with regard to the IT requirements. This involved how to record the interviews, entering details on the Google forms and uploading the audio files on OneDrive folders created for each interviewer.

c. Survey: Details of the respondents were shared with the agencies to carry out the survey, which included city, zone, activity status of workers (active/ inactive/ exit), tenure of workers in the platform (less than 1 year, 1-2 years and more than 2 years) and engagement type (full time and part time). They were asked to take the required number of workers in each category in each city. If the required number for the sample could not be taken from a particular city, it was to be replaced by another city from same tier and region. Since respondents were quite busy and always mobile, the survey teams had to call the respondents and take a time slot from them for the interview. In many cases the interviews were carried out in the early morning or late evening when respondents were relatively free.

It was found that some of the delivery workers were inappropriately grouped (in terms of tenure, status and engagement type). To maintain the distribution as per the sampling strategy, we were left with canvassing only 924 respondents. The distribution of the actual sample across region, tenure, activity status, and type of engagement is given in Table A.11.

Table A.11 Distribution of Sample among Various Categories of Delivery Workers (actual)

Region/Tier		Active					Exit				Inactive				Actual Sample
	Allotted sample	< 1 year	> 1 year & < 2 years	> 2 years	Total	Full time	< 1 year	> 1 year & < 2 years	> 2 years	Total	< 1 year	> 1 year & < 2 years	> 2 years	Total	
Overall	896	259	138	138	535	307	134	26	34	194	144	19	32	195	924
Tier 1	448	129	73	70	272	163	61	9	15	85	81	11	16	108	465
Tier 2	336	96	49	52	197	104	57	15	9	81	46	7	12	65	343
Tier 3	112	34	16	16	66	40	16	2	10	28	17	1	4	22	116
East	168	49	25	25	99	61	19	9	8	36	27	4	7	38	173
Tier 1	56	17	9	8	34	24	5	2	4	11	10	1	2	13	58
Tier 2	84	24	12	13	49	27	7	7	4	18	12	3	3	18	85
Tier 3	28	8	4	4	16	10	7	0	0	7	5	0	2	7	30
West	280	80	41	42	163	85	50	5	8	63	38	8	11	57	283
Tier 1	168	48	25	26	99	55	28	3	3	34	25	5	8	38	171
Tier 2	84	24	12	12	48	20	19	2	0	21	10	3	2	15	84
Tier 3	28	8	4	4	16	10	3	0	5	8	3	0	1	4	28
North	168	48	24	27	99	62	16	4	12	32	31	3	8	42	173
Tier 1	56	16	8	8	32	23	6	0	5	11	8	2	3	13	56
Tier 2	84	24	12	15	51	29	7	4	2	13	20	1	4	25	89
Tier 3	28	8	4	4	16	10	3	0	5	8	3	0	1	4	28
South	280	82	48	44	174	99	49	8	6	63	48	4	6	58	295
Tier 1	168	48	31	28	107	61	22	4	3	29	38	3	3	44	180
Tier 2	84	24	13	12	49	28	24	2	3	29	4	0	3	7	85
Tier 3	28	10	4	4	18	10	3	2	0	5	6	1	0	7	30

Source: NCAER Survey of food delivery workers.

The interviewers were required to upload the responses both on Google forms and OneDrive folders on the same day of the survey. This enabled the team to analyse the data on a real-time basis and rectify issues as soon as possible. NCAER team was always present to help the agencies/ interviewers during the survey period. Whenever there was discrepancies in responses, the team called the respondents and verified those responses.

d. The survey was carried out during April-May 2022. 50.4 per cent of the interviews were conducted by males and 49.6 per cent of the interviews were conducted by females.

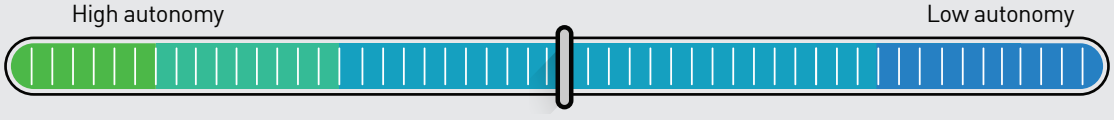
e. Response rate: The response rates were quite low given that the respondents were often not able to give a time and many interviews were discontinued half-way. Sometimes, particularly with inactive/ exit workers, respondents were unwilling to take part in the survey. The response rates across cities are given in Table A.12, which shows that the response rate of active workers is better than that of inactive/ exit workers.

Table A.12 Response Rate in the Cities Covered in the Survey (%)

City	Active Delivery Workers	Inactive/Exited Delivery Workers	Overall
Delhi	26.2	24.0	25.2
Sirsa	50.0	22.7	28.6
Jalandhar	18.6	6.9	11.6
Lucknow	40.0	38.3	39.2
Gorakhpur	37.5	21.2	30.1
Meerut	34.0	41.9	37.2
Waidhan	No active delivery workers	31.6	31.6
Jaipur	34.0	8.7	15.1
Udaipur	42.1	8.8	20.8
Guwahati	15.3	29.2	17.8
Patna	36.2	22.2	30.1
Gaya	100.0	20.0	30.4
Bokaro	39.6	34.2	37.1
Agartala	21.3	6.5	11.4
Kolkata	36.5	8.5	22.6
Mumbai	16.0	7.1	11.4
Pune	35.6	11.5	18.7
Nashik	20.6	60.0	23.9
Central Goa	22.5	3.0	6.9
Ahmedabad	13.2	10.2	11.7
Kakinada	22.6	14.3	17.7
Vizianagaram	30.0	0.0	28.6
Hyderabad	17.3	10.0	13.8
Bangalore	32.1	25.3	29.0
Manipal	37.5	26.7	31.2
Palakkad	34.5	20.0	33.3
Chennai	29.5	24.2	26.7
Coimbatore	31.6	24.2	27.0
Tier 1 Cities	22.5	13.2	17.7
Tier 2 Cities	28.6	14.8	21.0
Tier 3 Cities	28.7	12.0	18.1
Overall	25.3	13.6	19.0

Source: NCAER Survey of Platform Workers 2022.

Annexure B: Autonomy at Work of Independent Professionals



Work Status			
Independent contractor	**Supported independent contractor**	**Temporary worker**	**Regular employee**
Private insurance	Insurance via third parties	Discontinuous access to social rights	Continuous access to social rights
Diversity of clients	Economic dependency/sole client		
Deliberate choice	Forced choice		
Work Content			
Broad guidelines allowing job crafting (low vertical division)	Detailed specifications preventing job crafting (high vertical division)		
Work pace, work load at own discretion	Work pace, work load imposed by clients		
Mutual adjustment standardization of norms	Standardization of outcomes	Standardization of work processes	
Direct supervision			
Strong support and/or access to shared expertise and skills standards, high identification to a professional community	Weak support and/or access to shared expertise/skills standards, low identification to a professional community		
Working Conditions			
Self-responsibility for developing skills	Access to functional equivalents for skills development	Customised skills development based on ad hoc negotiations	Standardized training policies
Self-responsibility for steady income flow	Financial support offered by third parties	Individualized salary packages from interpersonal negotiations	Standardized salary grids
Self-responsibility for time and space arrangements	Access to shared facilities (co-working)	Adhoc time and space arrangements resulting from interpersonal negotiations	Predetermined work schedules and space arrangements

Source: Reproduced from Pichault and McKeown (2019).

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