



Exploring the Gig Economy in Online Food Delivery Services: A Thematic Analysis

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Abstract

The gig economy—which is defined by freelance employment and short-term contracts—has grown significantly in the last several years, especially in online food delivery services. With subtle yet frequently substantial effects on the transportation and logistics network, online food delivery has completely changed the final mile of food delivery. However, in addition to making traffic in cities worse, this new food delivery model is also altering the characteristics and characteristics of individuals who deliver—specifically, through gig economy jobs. Although this new food consumption and distribution system is gaining popularity quickly, evaluations of its sustainability for the present and the future tend to treat the concepts of social, environmental, and economic sustainability separately, with little research done up to date on how these may interact, influence, or conflict with one another. The socioeconomic effects of online food delivery services provided by the gig economy in urban India are examined using a thematic analysis. The study aims to comprehend delivery workers' experiences, food delivery platforms' operating tactics, and the ramifications for customer behavior and urban labor markets. In addition to providing recommendations for practice and policy to improve the sustainability and equity of this sector, the findings shed light on the advantages and disadvantages of gig employment.

Keywords: Gig economy, Online food delivery, Socioeconomic impacts, Sustainability and Urban Labor Market

Introduction

In the 1920s, musicians first used the term "gig," which at the time meant "engagement." The concepts "engagement," "assistance," and "attending the musical performances" were associated with each other. Later on, this phrase took on a more general meaning, being known as the "gig economy." This new phrase describes employees or individuals who satisfy their requirements by hiring or working for themselves for a predetermined amount of time (Sakshi Sardana, 2022).

In recent years, online food delivery has revolutionized how consumers buy and eat, and a wide range of businesses are now providing on-demand takeout services. However, the platforms that enable online food delivery have adopted business structures in which the people who deliver the food—that is, the couriers—are hired in what is referred to as the "gig economy." The integration of a digital platform goes beyond what some may view as these models' digital counterparts of more conventional courier activity. The online food delivery system has evolved, and we contend that this has had significant and, as of right now, rarely measured effects on the transportation and logistics industry (Carolynne Lorda, 2023).

The gig economy has drastically changed the nature of labor in several industries, especially online food delivery businesses where flexible, temporary work is a hallmark. Urban labor markets in India have been profoundly impacted by the emergence of platforms like Zomato, Swiggy, and Uber Eats which have made it possible for workers to take on contract work (Friedman, 2014). A degree of independence and flexibility not typically seen in full-time employment is provided by gig work, enabling people to select their work schedules and maximize their income potential (Heeks, 2017). Though gig workers are not considered employees and are therefore not entitled to fundamental protections like paid leave, healthcare benefits, or the minimum wage, this flexibility frequently comes at the expense of job security and labor rights (Wood et al., 2019).

Online Food Delivery gig platforms have shown economic benefits in terms of lowering unemployment and giving low-wage workers more revenue (De Stefano, 2016). This tendency has had a particularly significant effect on developing countries like India, where more people are looking to gig platforms for work prospects (Bajwa et al., 2018).

Regarding Online food delivery services, these platforms help eateries increase the number of patrons they serve and expedite the delivery of meals to customers, which boosts operational effectiveness (Gandhi et al., 2018).

Gig labor has significant drawbacks, too, including worker exploitation and unstable working circumstances, despite the initial financial advantages (Stanford, 2017). Risks associated with traffic accidents, long hours, and low pay are common for food delivery workers (Veen, Barratt, & Goods, 2020). In addition, the algorithmic labor management practices used on these platforms have given rise to new kinds of worker monitoring and control, as performance monitoring and rating systems have an impact on job assignment and compensation (Lee et al., 2015).

According to sociology, gig labor in meal delivery services perpetuates already-existing socioeconomic disparities (Sharma & Srivastava, 2018). Studies reveal that a large proportion of gig workers are immigrants or members of underprivileged populations who may face difficulties obtaining official employment (Ravenelle, 2019). Due of their inability to transition from gig work into more steady employment, workers are frequently caught in a vicious circle of economic instability (Rosenblat & Stark, 2016).

Overall, there is a complicated interaction of advantages and disadvantages associated with the gig economy in food delivery services, which makes a better analysis of its socioeconomic effects necessary, especially in developing nations like India. A thematic analysis of this industry provides important insights into how the nature of work is changing and the difficulties gig workers confront in obtaining fair treatment in a labor market that is becoming more digital and where performance tracking affects compensation and job assignment (Friedman, 2020).

The gig economy has transformed many industries, one of the most notable being online food delivery services. Due to their convenience and variety, Zomato, Swiggy and Uber Eats are just a few of the urban Indian platforms that have revolutionized the online food delivery industry. The sustainability of gig work, the working conditions of delivery staff, and the wider socioeconomic ramifications for urban labor markets have all been called into question by this shift. To provide readers with a thorough grasp of the gig economy in food delivery services, this study uses a theme analysis to investigate these features.

Literature Review

The gig economy has quickly changed several industries, and one that has emerged as a major one where gig work is crucial is food delivery services. The socio-economic effects of gig employment have been well studied by researchers, especially as they relate to food delivery businesses. Traditional employment arrangements are being reconfigured to make room for flexible, on-demand labor models, as a result of the growth of platforms such as UberEats, Zomato, Swiggy, and Deliveroo. According to (Stewart and Stanford, 2017), this change has given workers more flexibility in their work schedules, but frequently at the sacrifice of benefits and job security.

Numerous studies have used theme analysis to investigate the real-world experiences of gig workers, especially delivery workers. Themes like worker exploitation, a lack of negotiating power, and the unstable nature of gig employment (Veen, Barratt, and Goods, 2020). The researchers discovered that because food delivery companies categorize their workers as independent contractors rather than employees, they frequently face uncertain wages, extended work hours, and restricted access to labor rights. The literature also highlights the importance of the gig workers' engagement with technology. (Wood, Graham, and Anwar, 2019) provided evidence of how algorithms employed by food delivery services have a significant impact on the distribution, supervision, and control of work. This results in a type of "algorithmic management" that restricts worker autonomy while giving the impression of flexibility.

Platform-based food delivery services have grown rapidly because to the close relationship between the economic model of gig work in the food delivery industry and consumer desire for convenience (Heeks, 2017). But the cost of this ease is borne by the workers, who are frequently overworked and paid inadequate wages. Research shows that although customers benefit from quick and affordable delivery, gig workers have dangerous working conditions and are more likely to be involved in accidents, particularly in metropolitan areas (Cant, 2019). This leads to a paradox where worker vulnerability is used to provide customer convenience, creating moral concerns about the long-term viability of gig employment models.

The gig economy has gained prominence in India because to the quick uptake of food delivery applications like Swiggy and Zomato, particularly in urban areas. According to (Meena and Naidu, 2021), these platforms have significantly increased job chances, especially for young, unskilled workers in Delhi and Mumbai. Nonetheless, the absence of official labor laws and the exploitative wage structures continue to be major issues. The influence of gig work on family life was also the focus of (Choudhary and Rajan's, 2020) theme study, which discovered that unpredictable work hours damage personal relationships and cause social alienation among gig workers.

In conclusion, a number of recurrent themes emerge from the literature on the gig economy in online food delivery services, including the insecure nature of gig work, the role that technology plays in labor control, worker exploitation, and the socioeconomic effects of platform-based employment. Although these platforms give workers flexibility and consumers convenience, the most vulnerable laborers—those without the protections often associated with full-time employment—often bear the price for this convenience. To investigate legislative options that help resolve these problems and build a more just gig economy, more research is required.

Objectives

- To study the advantages and disadvantages of the gig economy in online food delivery services.
- To analyze the socio-economic impacts of gig economy online food delivery services on delivery workers in urban India.
- To understand the operational strategies of online food delivery platforms in managing their workforce and service delivery.
- To explore the implications of gig economy online delivery services for urban labor markets and consumer behavior.

Research Methodology

A mixed-method approach will be used to examine the socio-economic effects of gig economy food delivery services on delivery workers in urban India. To give a thorough grasp of the topic, both quantitative and qualitative research methods will be used. A sample of urban delivery workers will be surveyed to gather information on social security benefits, working hours, pay levels, and job satisfaction. In-depth interviews with a smaller, purposeful sample will also be conducted to learn more about their perspectives on job stability and

mobility as well as their experiences and difficulties. Case studies of significant food delivery companies will be undertaken to comprehend the operational techniques employed by food delivery platforms in managing their workforce and service delivery. Lastly, secondary data analysis will be carried out to investigate the effects of gig economy food delivery services on urban labor markets and consumer behavior.

Findings and Discussion

Advantages and Disadvantages of Gig Economy in Online Food Delivery Services

There are various benefits associated with the gig economy in food delivery businesses. Flexible work schedules that allow employees to accommodate other obligations like family responsibilities and schooling are a major perk. Because of its flexibility, gig labor is attractive to people looking for extra money, including students and part-time workers. Furthermore, by requiring few qualifications, companies like Uber Eats, Zomato, and Swiggy have cut entry barriers for employment, allowing a significant number of people to swiftly enter the workforce. Additionally, these services have brought about economic prospects in metropolitan settings, especially for individuals who would find it difficult to obtain formal employment.

There are, however, some significant drawbacks. Access to crucial benefits like health insurance, paid time off, and job security is frequently limited for gig workers. The fact that many are categorized as independent contractors, absolving them of labor laws, makes the workplace unstable. Additionally, wages might vary, with employees occasionally making less than the minimum wage when deducting expenses for platform commissions, gas, and auto maintenance. The gig economy's lack of governmental control has given rise to accusations that these platforms take advantage of their workers by putting efficiency and profitability ahead of treating them fairly.

Socio-economic impacts of gig economy food delivery services on delivery workers in urban India

The first benefit of online food delivery services' flexibility is that it allows employees to set their own hours, which is especially useful for people juggling numerous jobs or personal obligations. Since it offers autonomy not often present in traditional work, this flexibility may help some people feel more satisfied with their jobs. But the same flexibility that increases flexibility can also increase economic instability since employees might find it difficult to secure a steady amount of delivery hours, which would leave them uneasy financially.

Furthermore, there is a noticeable income gap among delivery workers. While some employees claim to make a fair salary during peak hours, a large number of workers find it difficult to cover their essential living costs because of erratic demand and the absence of minimum wage guarantees. Because of this irregularity, employees are frequently forced to take on more work, which can worsen their physical and emotional stress, especially in high-pressure settings where productivity is essential.

Furthermore, a lot of delivery workers may not have access to retirement savings plans, health insurance, or paid time off—benefits that are often part of a full-time job. Workers are put at risk by the lack of safety nets, especially in the event of an illness or injury where medical expenses might cause serious financial hardship. Their inability to collectively bargain for better pay or working conditions is made more difficult by the absence of union representation.

Socially, workers who frequently experience stigma related to their employment status may become even more marginalized as a result of the gig economy. Since gig labor is still viewed as inferior in many places, this may have an impact on their social connections and general mental health.

In conclusion, online food delivery businesses operating in the gig economy provide serious socioeconomic issues in addition to freedom and the possibility of increased profits during peak times. Delivery workers must negotiate a challenging environment due to a lack of social recognition, perks, and consistent income. This emphasizes the need for more extensive legislation and support systems to solve these problems and enhance their working circumstances.

Operational strategies of online food delivery platforms in managing their workforce and service delivery

A variety of operational tactics have been created by online meal delivery companies, especially in light of the gig economy, to better manage their staff and improve service performance. One well-known tactic is the use of flexible workforce management, which enables platforms to dynamically modify the quantity of delivery staff in response to changes in demand that occur in real time. Sophisticated algorithms are utilized to monitor local demand and order patterns, thereby providing organizations with the flexibility to optimize resource allocation and delivery times. Furthermore, platforms have implemented incentive

schemes that are dependent on performance, which serve to both improve service quality and drive delivery staff. These rewards are frequently correlated with delivery time, customer satisfaction scores, and the quantity of deliveries finished, fostering a competitive atmosphere that promotes effectiveness.

Using data analytics and technology to improve service delivery is another essential operational approach. Numerous platforms use mobile applications that give delivery staff capabilities for client communication, order details, and navigation support, all of which enhance the delivery experience in general. With the use of machine learning algorithms, platforms can now anticipate peak hours, plan the best routes for deliveries, and increase customer satisfaction by making deliveries on time. Furthermore, platforms frequently hold frequent training and onboarding sessions for its gig workers, concentrating on customer service techniques, safety procedures, and effective delivery methods, in order to guarantee a high degree of service quality.

Moreover, the gig economy's fundamental challenges—such as employment insecurity and lack of benefits—have an impact on the connection between the platforms and their workforce. As more platforms become conscious of these problems, they are investigating ways to raise employee retention and happiness. Projects like health benefits, community involvement initiatives, and delivery staff support networks demonstrate an increasing understanding of the need to strike a balance between worker welfare and operational effectiveness. In addition to helping with labor management, this all-encompassing strategy improves the platforms' standing and encourages customer loyalty.

In conclusion, online food delivery companies use a variety of operational tactics to oversee their personnel and service delivery. These strategies include integrating technology, offering performance incentives, and keeping an eye on the changing demands of their staff. These tactics not only seek to improve customer happiness and operational effectiveness, but they also tackle the issues raised by the gig economy, which will ultimately lead to a more viable and successful service model.

Implications of gig economy online delivery services for urban labor markets and consumer behavior

Online delivery services for the gig economy have a wide range of effects on urban labor markets and customer behavior, representing both potential and problems. According to one of the main conclusions, these platforms have a big impact on labor dynamics because they offer flexible work options that appeal to a wide range of workers, including students, part-timers, and people looking for extra money. Although flexible work arrangements have certain advantages, they can also present a risk to one's economic security and traditional employment perks, creating an unstable work environment.

Furthermore, the information points to a change in the way urban customers shop, with a growing preference for immediate gratification and ease over more conventional approaches. Instant gratification has become the norm as a result of the growth of these services, and customers increasingly anticipate quick delivery and flawless user experiences. This shift affects not just what each individual buys but also compels established merchants to modernize or face going out of business.

Furthermore, the study reveals disparities in opinions about gig economy services among various demographic cohorts. Because these platforms are convenient and offer variety, younger customers tend to welcome them, but elder consumers may voice reservations about the ethical implications of gig employment and service reliability. This discrepancy emphasizes how delivery platforms must modify their operational and marketing tactics to serve a wide range of customers.

Furthermore, there are important concerns regarding regulation and worker rights raised by the relationship between urban labor markets and gig economy services. The demand for laws that guarantee gig workers' protection and fair treatment is growing along with the gig economy. In the absence of these frameworks, the viability of these services could be compromised, which could result in heightened public scrutiny and demands for reform.

In conclusion, gig economy online delivery services have far-reaching effects that are changing urban consumer behavior and labor markets. Although they offer convenience and flexibility, they also draw attention to the urgent need for regulatory frameworks to safeguard workers and maintain fair competition in the rapidly changing urban commerce sector.

Conclusion

Online food delivery businesses' gig economy offers jobs and problems. While it gives delivery workers flexibility and income potential, it also exposes them to employment insecurity and inadequate benefits. Socioeconomically, these platforms have given many Indian urban workers access to temporary jobs, but frequently in unstable circumstances. Food delivery platforms' operational methods emphasize efficiency and scalability, frequently placing a higher priority on cost-cutting tactics that have an adverse effect on worker welfare. This dynamic has wider ramifications for urban labor markets, as consumers' behavior is becoming more convenience-driven, sometimes to the detriment of fair labor practices, and old employment structures are changing.

Limitation and Future Scope

This study's focus on urban India limits its applicability to rural and semi-urban areas where gig economies are developing, potentially missing out on the experiences of delivery workers despite being thorough in examining the socio-economic effects and operational strategies of gig economy online food delivery services. Furthermore, the research mainly looks at delivery workers' and platforms' viewpoints, putting less of a focus on how legislators and other stakeholders shape the gig economy environment. In order to better understand the long-term consequences of the emerging gig economy on labor markets and consumer behavior, future studies could address these gaps by adding cross-industry comparisons, a more diversified group of stakeholders, and larger geographic coverage.

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