

# Digital Entrepreneur's Contribution in Gig Economy: A Study on Swiggy

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## ABSTRACT

In the Gig economy, the digital entrepreneurs are not just the participants, but, the role players who redefines the work culture and opportunity on gig platforms. A gig work environment is a labor market where temporary, freelance or flexible jobs are common or an on-demand economy, where people earn income by extending goods and services, often through a digital platform. The traditional work culture is entirely being reconstructed. Definitely, the technology is the significant game changer.

This paper emphasized in analyzing the contribution of digital entrepreneurs to the expansion of the gig economy in India, and likewise, to evaluate the impact of digital platforms on employment patterns and worker welfare. Depending upon reliable published sources, data triangulation and analyzing using multiple regression and correlation method the paper attempted to finalize that the digital entrepreneurs have significantly contributed to the growth of gig work and shows a higher income stability comparatively to traditional mode of work and furthermore.

The paper entitled “digital entrepreneur’s contribution in gig economy: A study on Swiggy” would be contributing an insight to the gig economy complexities specified to Swiggy in terms of expansion, income stability and the need for a specified and targeted policies.

**Keywords:** Gig economy, Digital entrepreneurship, Employment pattern, income stability, platform-based work

## INTRODUCTION

Gig economy is a labour market, where the temporary, part-time positions are filled by independent contractors and freelancers instead of full-time employees. (AAYOG, 2022) These workers not only participate in the gig economy but also influence and redefine work culture, employment patterns and labour practices, making technology a significant catalyst for change.

Swiggy is an online food delivery platform that functions by the assistance of digital initiatives. It connects several food outlets to the needed consumers. (*What Is Swiggy and How Does It Work? Everything You Need to Know*, n.d.)

This study attempts to investigate the contribution of digital entrepreneurs, specifically through a glance study on swiggy, a leading food delivery platform in India. Swiggy shows the impact of the digitalised platforms in the gig economy, impacting several factors.

This paper seeks to address these complexities by examining Swiggy's role in the expansion of the gig economy in India, with a focus on the economic and social implications of platform-based workers.

## STATEMENT OF THE PROBLEM

As the gig economy expands, the digital entrepreneurs play a significant role in shaping the work culture, especially through innovative platforms. While these platforms offer flexibility and open income opportunities, other side, have limited worker protection. This study focuses on analyzing the impact of digital entrepreneurs on growth of gig economy, particularly about Swiggy's role. Furthermore, the study is also focusing to the expansion of the gig economy in India, on basis of the economic and social implications of platform-based workers.

## OBJECTIVES

- To analyze the contribution of digital entrepreneur (Swiggy) to the expansion of gig economy in India
- To evaluate the impact of digital platforms on employment patterns and worker welfare of Swiggy

## HYPOTHESIS:

- H0 : The number of gig workers on Swiggy does not positively relate with the overall growth of gig economy in India
- H1: The number of gig workers on Swiggy positively correlate with the overall growth of gig economy in India
- H0: Digital platforms doesn't have positive impact on employment patterns and worker welfare
- H1: Digital platforms have positive impact on employment patterns and worker welfare

## LITERATURE REVIEW

The CEO, Food Marketplace (Swiggy), Mr. Rohit Kapoor, stated that "The Indian food services market, specially food delivery sector, has witnessed tremendous expansion over the past few years. The factors that contribute positively to the growth are the higher income rate, digitization, improved customer experience, and the consumers inclination towards experiencing new things". (*Food Services Market in India Expected to Grow at 10%–12% CAGR; Reaching INR 900–1000K Crore by 2030 - Swiggy Diaries*, n.d.)

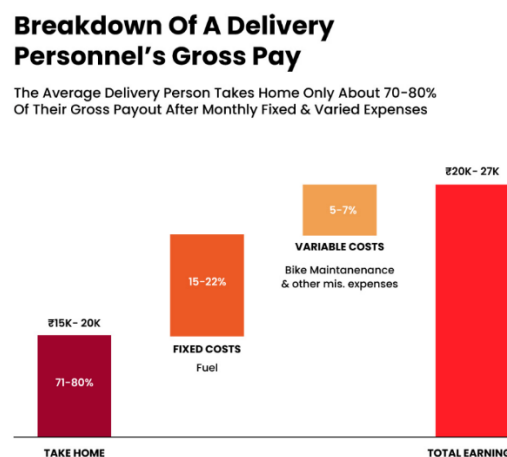
In 2015, Swiggy were partnering with nearly 100 restaurants and they were managing orders exceeding 70000 per month, It was assumed that by 2018 Swiggy become India's fastest growing start-up with unicorn status. (*Swiggy Business Model & Growth Strategy - GrowthX Deep Dive*, n.d.)

It is also stated that by mid 2024, Swiggy employees will be above 5000, however, a reduced percentage compared to the previous year. (*Swiggy's Employee Count: How Many People Work at Swiggy? - CultInvestor*, n.d.).

The important channels of Swiggy are mobile apps, digital marketing platforms, websites, etc... The launching of 'Swiggy stores', and 'Swiggy Go' apps assisted in expanding the sector beyond food delivery. (*Project Report On Swiggy | PDF | Business | Economies*, n.d.)

Likewise, the data collected directly from Swiggy contract workers (Part-time) it was clear that the company pays ₹100 as daily incentive, while a rider hits a target payout of ₹300 per day. Swiggy's daily incentive scale for a full time worker noted as ₹200, later to ₹575 per day, if the worker can complete a

minimum number of orders noted. (Why India's Food Delivery Workers Deserve Better Pay, Labour Protection, n.d.)



(Why India's Food Delivery Workers Deserve Better Pay, Labour Protection, n.d.)

Another study revealed that there is no significant relationship between the gender and job satisfaction, Moreover, the employers are able to balance their regular life, incentives, satisfaction level, medical expenses, along with meeting the targets and getting better feedback from customers. (Sumathi et al., 2024)

Furthermore, the educational qualification also have a positive impact on earnings, the median gross earning of a college student are nearly 60% greater than comparatively with high school graduates. Whereas, the high school dropouts earn in between 30-35% less than that compared to individuals with high school diploma. (Rupert et al., n.d.)

In addition, a report specifically observes that there is highest correlation between earnings and schooling. We observe the highest correlation between schooling and earnings distribution represents an estimate of the fraction of earnings inequality that is attributable to differences in years of schooling, since earnings are then least affected by postschool investments. (Education et al., n.d.)

## METHODOLOGY

This study is in descriptive and analytical nature, based upon secondary data for the year 2014-2024, Data derived from various secondary sources. The significant data were collected from the source documents such as, 'total Number of Workers in Swiggy: Data from the Comprehensive Historical Performance Analysis of Swiggy' (2024), 'Government of India report under NITI Aayog (2022)', 'Kantar report on gig economy workers' (2023)', 'salary report (2024)', and furthermore. Data is reviewed and analysed using excel and eviews software (Tabulation, graphical representation, correlation and regression analysis)

## GIG ECONOMY

Gig workers are those who engaged in job out of a traditional employer-employee legitimate arrangement. (Perspectives and Recommendations on the Future of Work India's Booming Gig and Platform Economy POLICY BRIEF, 2022) .As per the report of NITI Aayog in 2020-21 nearly 77 lakhs (7.7 million) workers were earning livelihood from gig economy. The total workforce comprises of 2.6% of the non- agricultural workforce, and 1.5% of workers in Indian labor market. Moreover, it is expected to have an tremendous expansion of 2.35 crores of (23.5 Million) workers by 2029-30. Likewise, within

the same cycle, gig workers are expected to form 6.7% of the non-agricultural workforce, or else 4.1% of the total workforce of India. Currently, about 22% of Gig workers belongs to high skilled, 47% in medium skilled and rest into low skilled jobs. Data from past year revealed that the concentration of workers in medium skilled category is showing gradual decline, because of the growth in number of low skilled and high skilled workers.(NITI, 2022)

As per the survey results of BCG (Boston Consulting Group), over 8 million people will be part of the gig economy in India, which is expected to be increased upto 24 million by next 2024-25 and later 90 million by next 5 years.(*The Gig Worker Crunch For Zomato, Swiggy, Zepto & Co*, n.d.). The Code on Social Security 2020, clearly depicted that the accessibility on awareness programmes for workers and their dependants, furthermore, about extending the social security measures in partnership mode.(NITI, 2022)

## DIGITAL ENTREPRENEURS

The new cluster “Digitalization” is derived out of tracing and applying a thematic map based study where already existing 10 clusters are grouped into 5, termed “entrepreneurship”, “sharing economy”, “gig economy”, and “self employment” during a conceptual structured analysis carried out.(Silva & Moreira, 2022). The process of creating a new network enabled/ delivery business, focusing product or service is termed as “Digital entrepreneurship”(Stanmeyer, n.d.)

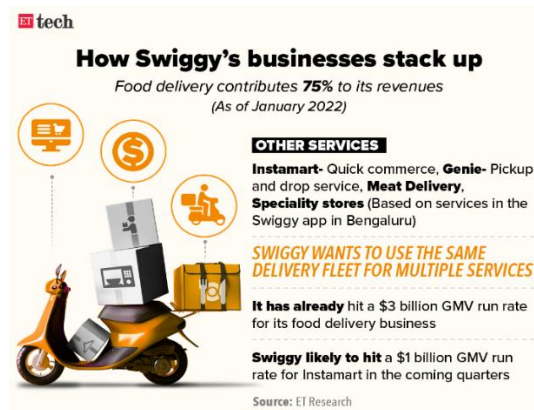
## ABOUT SWIGGY



Swiggy is India's on, which is also tops the list of India's Unicorn start up company (Privately held start-up valued over \$1 million). Swiggy is basically is Bangalore based start-up commenced its operation in 2014, and as of now, it's deeply rooted the presence over 100 Indian cities. The quick pick-and drop food is an innovative food delivery applications introduced by swiggy to make the life of people, simple and easier.(*Swiggy - Business Model, History, Funding, Partnerships*, n.d.)



(Annual Report, 2023)

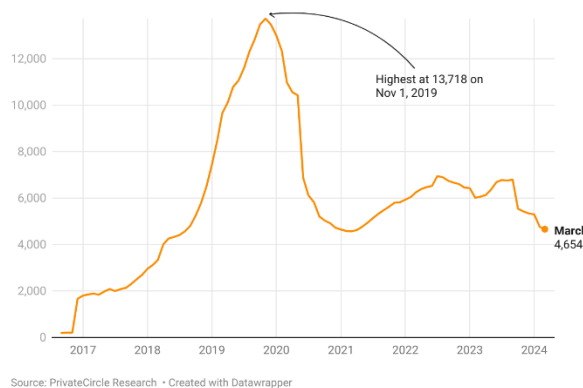


(Swiggy Marketplace: Swiggy Eyes Commerce Play with Minis Marketplace - The Economic Times, n.d.)

## IMPORTANCE OF DIGITAL ENTREPRENEUR (SWIGGY) IN GIG

India's largest growing food delivery platform "Swiggy" reshapes the work culture as "Swiggy's values are built on steadfast principles; to be, think and act like a true swiggster". (*What We Value at Swiggy - Swiggy Diaries*, n.d.) . Mr. Girish Menon, HR manager of Swiggy discusses how the company values came to be, by generating and maintaining a guiding force that wipe out all the obstacles, and assists in directing towards accomplishing the mission. "The fact which is not dynamic is that every individual was been an employee of the first company, and a values driven company. The significance about the values we have and its creation, was flawless, which went up as the strong base of employee culture. (*What We Value at Swiggy - Swiggy Diaries*, n.d.) From the point of delivering foods to extending an unparalleled convenience to the customers, the journey of Swiggy in assistance with growing technology is expanding day by day.

## SWIGGY EMPLOYEE COUNT (Platform size of Swiggy)



(Swiggy 2024: A Comprehensive Historical Performance Analysis, n.d.)

2016	1664
2017	2691
2018	6492
2019	13466
2020	4719

2021	5814
2022	6449
2023	5335
2024 upto march	4654

**(Table 1: (Created by author)employee count \_Year ending data (Dec based) Tabular data representation derived out of analysing the graph)**

## JOB SATISFACTION LEVEL OF SWIGGY WORKERS

YEAR	JOB SATISFACTION LEVEL (SCALE 1-5)	SAMPLE SIZE
2016	3.2	500
2017	3.5	750
2018	3.8	1200
2019	3.4	1500
2020	3.1	2000
2021	3.6	2500
2022	3.3	3000
2023	3.7	3500
2024	3.5	4000

**Table 2: job satisfaction level (: : Kantar Report on Gig Economy Workers - Google Search, n.d.; Project Report On Swiggy | PDF | Business | Economies, n.d.; Swiggy 2024: A Comprehensive Historical Performance Analysis, n.d.)**

YEAR	AGE GROUP	AVERAGE NO. OF DELIVERIES PER WEEK	EDUCATIONAL LEVEL
2016	25-34 (60)	30	High school (40)
2017	25-34 (65)	35	Graduation (50)
2018	25-34 (70)	40	Graduation (60)
2019	25-34 (75)	45	PG (40)
2020	25-34 (60)	30	High school (45)
2021	25-34 (70)	40	Graduation(55)
2022	25-34 (75)	45	PG(50)
2023	25-34 (80)	50	PG(60)
2024	25-34 (85)	55	PG(70)

(: : Kantar Report on Gig Economy Workers - Google Search, n.d.; Project Report On Swiggy | PDF | Business | Economies, n.d.; Swiggy 2024: A Comprehensive Historical Performance Analysis, n.d.)

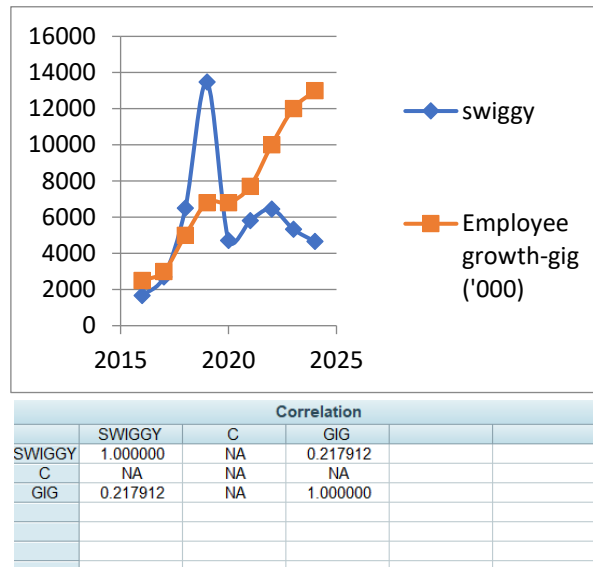
*Table3: age wise classification, workload, educational qualification\_ ( Created by author -Data compiled out from sources : Kantar report on gig economy workers, Swiggy's internal surveys, survey by Indian staffing federation)*



## DATA ANALYSIS

### To analyze the contribution of digital entrepreneur (Swiggy) to the expansion of the gig economy in India

Let's assume Digital platform size (number of workers in Swiggy) as Independent variable and total Gig workforce as dependent variable.



(Created by author using msft excel and Eviews)

### Interpretation:

Reject the Null Hypothesis (H0) (The number of gig workers on Swiggy does not positively correlate with the overall growth of the gig economy in India)

Therefore, Failed to Reject the Alternative Hypothesis (H1)

Positive correlation :Swiggy Workers growth generally aligns with total Gig workers growth

### To evaluate the impact of digital platforms on employment patterns and worker welfare of Swiggy

- Let's assume Job satisfaction as Dependent variable and Average deliveries, Average annual salary as Independent variable.

Correlation				
	JOBSATIS...	C	AVGANNUA...	AVGDELIVRY
JOBS...	1.000000	NA	0.219334	0.503821
C	NA	NA	NA	NA
AVGA...	0.219334	NA	1.000000	0.791071
AVGD...	0.503821	NA	0.791071	1.000000

(Created by author using msft excel and Eviews)

### Interpretation

There is a Positive correlated with Average Deliveries (AVGDELIVRY) at **0.5038** to job satisfaction, therefore, suggesting a moderate relationship. Likewise, a weak correlation with Average Annual Salary (AVGANNUA) at **0.2193** to job satisfaction indicates a minimal influence.

Dependent Variable: JOBSATISFACTION  
Method: Least Squares  
Date: 12/18/24 Time: 09:35  
Sample: 1 9  
Included observations: 9

Variable	Coefficient	Std. Error	t-Statistic	Prob.
C	2.744842	0.412028	6.661786	0.0006
AVGANNUALSLRY	-8.78E-07	9.94E-07	-0.883159	0.4111
AVGDELIVRY	0.023636	0.014521	1.627669	0.1547

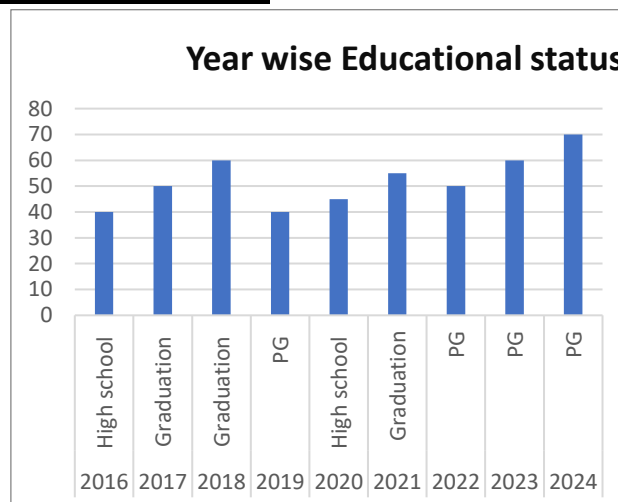
R-squared	0.339675	Mean dependent var	3.455556
Adjusted R-squared	0.119566	S.D. dependent var	0.229734
S.E. of regression	0.215563	Akaike info criterion	0.030073
Sum squared resid	0.278804	Schwarz criterion	0.095814
Log likelihood	2.864672	Hannan-Quinn criter.	-0.111797
F-statistic	1.543215	Durbin-Watson stat	2.891106
Prob(F-statistic)	0.287921		

(Created by author using msft excel and Eviews)

## Interpretation

- It can be assumed that there is a positive relationship as the  $r^2=0.33$  (Moderate)
- As the p value= 0.41, the independent variables has a significant relationship with dependent variables
- The deliveries and annual income positively influencing the and job satisfaction of the worker
- As it shows positive impact, failed to reject H1,therefore, inferred, Digital platforms (Swiggy) have positive impact on employment and worker welfare

## Relation between Education and income level



(: : Kantar Report on Gig Economy Workers - Google Search, n.d.; Project Report On Swiggy | PDF | Business | Economies, n.d.; Swiggy 2024: A Comprehensive Historical Performance Analysis, n.d.)  
(Graphical representation Created by author using msft excel and Eviews)

## Educational Level Trends:

- The educational level of individuals shifts from primarily "High School" in 2016 and 2020 to "Graduation" and "PG" (Postgraduate) in other years.
- There's a notable increase in the number of people with "PG" education, especially from 2019 onwards, which aligns with the increasing deliveries
- Higher educational attainment, particularly "PG," correlates with higher average deliveries. For example, the year 2024, with the highest number of deliveries, also has the highest number of people with "PG" education (70).



- **Yearly Observations:**

- **2016 & 2020:** Both years show lower deliveries (30) with more individuals having only "High School" education.
- **2017 & 2018:** Deliveries increase as more individuals reach "Graduation" level.
- **2019 onwards:** The shift to more "PG" education aligns with a steady increase in deliveries.

This analysis suggests a potential link between higher education levels and increased productivity in terms of deliveries, with the trend showing a clear upward movement over the years.

We can interpret in other way also, likewise, even if the educational qualification rises, the issue of being placed in an organized sector with permanent source of income is challenging.

## FINDINGS

- The number of gig workers on Swiggy positively correlate with the overall growth of the gig economy in India
- If the deliveries per week is increasing (due to digital technology) then it'll be positively influencing the annual income and job satisfaction of the worker.
- This analysis suggests a potential link between higher education levels and increased productivity in terms of deliveries, with the trend showing a clear upward movement over the years.
- We can interpret in other way also, likewise, even if the educational qualification rises, the issue of being placed in an organized sector with permanent source of income is challenging

## CONCLUSION

This study emphasises how digital entrepreneurs have impacted the gig economy in India, especially through platforms like Swiggy. The results confirm the significant influence of digital platforms on employment trends by showing a positive association between the growth of Swiggy's gig workforce and the gig economy's overall expansion. According to the data, gig workers' salary and job satisfaction grow as digital technology enables more weekly deliveries, indicating the potential for digital platforms to provide financial advantages through flexible, on-demand work.

However, while higher education among Swiggy workers appears to be associated with increased productivity and earnings, it does not necessarily guarantee placement in a more stable, organized sector with permanent income

The study emphasises the necessity of particular regulations that safeguard the welfare of gig workers, guaranteeing them access to social safeguards, job satisfaction, and stable incomes as they operate in this dynamic workplace. It is becoming more and more important to strike a balance between the expansion made possible by digital entrepreneurship and policies that promote equitable and sustainable working conditions for gig workers in India as the gig economy grows.

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