A Pandemic of Discontent: The Growing Woes of India's Food Delivery Workers

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Swiggy's moves to deal with financial losses and COVID-19 have sparked protests by its delivery boys, who have been dealt a raw deal and seen their wages decrease.

On March 24, after India first locked down to deal with the COVID-19 pandemic, Raj*, a 27-year-old food deliveryman for Swiggy in Surat, stayed home for two days. He'd heard the police were stopping his co-workers and seizing their bikes.

Raj's boss called. Don't worry, I'll speak to the police if there's trouble, Raj recalled him saying.

Raj, whose name has been changed to avoid retaliation by the company, logged on to the Swiggy app and set out on his Hero Passion Pro bike. Many streets were closed off. At one checkpoint, a knot of policemen flagged him down and yelled, *Why are you out? Go home.*

Raj called his boss, who said, You deal with it.

"You told us to call you, and now you're telling me to talk myself," Raj said while recalling the incident last month to this reporter.

"I had to handle it myself, it took two hours."

Weeks later, 'you deal with it' became company policy. While most of us stayed home this summer, Swiggy delivery persons fetched our food and groceries.

The government called them <u>frontline workers</u>; companies called them "heroes". Swiggy and other startups dedicated a <u>music video</u> to them.

But in the background, employees were being fired, delivery persons say their pay was reduced, and the company was slowly replacing human managers with algorithms and digital systems. The company sold some of the moves as a response to COVID-19 – but in reality, at least some of the actions were planned and set in motion well before the pandemic, according to former and current Swiggy workers. As far back as December 2019, some Swiggy managers knew that they were soon going to be without a job.

"All the problems with Swiggy began about six to eight months ago. Before, the job felt more stable and we felt good working here," Kishan, a deliveryman in Surat, said in September. "Now, it feels like slave work."

"Modi ji <u>praised us</u> on *Mann ki Baat*, the company also praised us, but they haven't given us anything," Vikram, a deliveryman in Delhi NCR, said. "We did so much during corona times, but they didn't reward us, they cut our pay."

"I feel so humiliated and depressed at that moment of time," said a former fleet manager, recalling his firing after five years of working day-and-night for Swiggy, attending 250-350 phone calls a day from "executives", as delivery men are known in India.

By July, the company <u>fired</u> <u>at least</u> 1,450 employees, including managers.

During the pandemic, according to company messages seen by this reporter, Swiggy cut the "base pay", or the minimum delivery fee per order, of riders to Rs 15, down by 57%, and implemented other pay cuts. Delivery men *The Wire* spoke to pointed out that their earnings nosedived even as fuel prices hit historic highs. Just two years ago, they were making Rs 40,000 (\$543) or more a month if they worked enough hours. Attracted by the high pay, many said they'd left steady, non-gig jobs to join Swiggy. Now, after the cuts, Swiggy no longer made much financial sense for some – but they have few options in a poor job market.

Today, in an average month, delivery persons *The Wire* spoke to said they make around Rs 20,000.

In 2018, Swiggy job ads on Aasaanjobs.com, an online jobs portal, promised up to Rs 40,000 per month; the same jobs today promise up to Rs 18,000 per month.

Swiggy, however, disputes these pay cuts. When contacted, a company spokesperson said its riders earn more today than before COVID-19, but did not provide *The Wire* with specific data. The spokesperson also emphasised that the base pay is only one component of the delivery fee and most delivery partners make more than Rs 15 per order.

Nevertheless, hundreds of riders in several cities across India like <u>Chennai</u>, <u>Hyderabad</u> and <u>Delhi</u> logged out of their apps and went on strike. But there were no managers left to hear them.

"There's nobody to escalate your demands to," said Rikta Krishnaswamy, a coordinator for Delhi-NCR at All India Gig Workers Union, or AIGWU. "You keep getting messages but there's no way to communicate back."

In September, the company sent bouncers, or "threat managers", to discourage the strikers in Delhi, according to Krishnaswamy, who was there. The company also blocked the accounts of some delivery persons at strikes, multiple sources said. Other news outlets have also reported <u>similar</u> claims from strikers across India.

When asked, a Swiggy spokesperson maintained that no account suspension was done for individuals at a peaceful protest, nor had the company sent any 'threat managers' to discourage strikers.

The company did an end-run around the strikers in Delhi by hiring third-party manpower agencies like Rapido and Shadowfax to replace the drivers at premium cost – until the men could strike no more, Krishnaswamy said.

In February, Swiggy's valuation hit \$3.3 billion. Although the company, like all delivery startups, has never turned a profit, it is flush with cash. It got \$113 million from South African internet giant Naspers in February and \$43 million in April from other venture capital firms.

Like all technology startups, Swiggy invests in distilling human interactions and relationships into automatable data sets. The company wants to replace "human intuition-based systems with more intelligent systems," said Dale Vaz, Swiggy's head of engineering and data science and a US-educated Amazonian who helped launch Amazon India, on an industry <u>podcast</u> in March. Last year, Vaz <u>spoke</u> of a worker in a Swiggy kitchen assembly line whose job is to look at food and say

whether it is fish or chicken before sending it out to the customer. When a human has to do hundreds of orders an hour, he will make more mistakes than a computer, Vaz said. "We talk about humans being a 3-sigma machine, we may get things wrong three times out of 1,000," Vaz said.

No one asked Vaz why he was calling a human being a machine.

This is a history of frontline gig-work for a multi-billion dollar unicorn during the pandemic. It is based on interviews between September and December with about 20 riders, employees and experts. The interviews have mostly been translated from Hindi. The executives are not identified to protect them from retaliation by the company.

Not all gig work is equal. Ask the people who deliver your food. Some are full-time Swiggy riders, others are part time – a shift at Swiggy, another maybe delivering parcels for Amazon.

Three out of four gig workers have high school or even basic college degrees, according to preliminary results from a comprehensive survey of Indian gig workers by <u>WageIndicator</u> <u>Foundation</u>, a Netherlands-based labour data tracker. About 78% of them feel overqualified for the job. They are predominantly young men, and many *The Wire* spoke to were working jobs paying around Rs 20,000 a month before joining Swiggy.

Food delivery may be hardest kind of gig work. Delivery agents work long shifts in pollution on motorcycles. They have to log on and be continuously present in their area. They cannot simultaneously work for competing platforms, the way Ola or Uber drivers do. In order to earn incentives, which increase their pay, they need to be logged on for part-time or full-time shifts that can stretch to more than 10 hours. All this sounds like full-time work, but it's not. They are called "independent self-employed persons" by the companies.

The workers have to deliver in a set number of minutes using a route computed by algorithms. They're tracked using GPS and more recently, using Bluetooth beacons in restaurants in one city. They need to keep uploading selfies showing they're dressed correctly, they're wearing a mask, they've picked up food, they've reached, they're properly attired, they've left the location. They have to request hangry consumers for five-star ratings, which determines their earnings.

Lately, their temperatures are being recorded.

"It's like your phone is an ankle monitor," Krishnaswamy of AIGWU said.

Swiggy and its competitor Zomato are the <u>most unfair</u> gigwork companies in India, according to Fairwork, a project based out of Oxford University.

Raj did not mind how hard it was though, because the pay was good. When he was little, he used to dream that he would get a "good job, in a good line, with a good salary". His grandfather and father were wrestlers in Surat. When his father injured his leg and became disabled, Raj went to work at Sari World in the market at 15. After 10 years, he became a supervisor. But competition was tough and his shop wasn't doing well, so when Swiggy launched in 2018, Raj joined.

"I remember my first order – the customer ordered two green sandwiches from Bombay Greens," he recalled. That day was tough – he did not know how to use the app, how to navigate the map, how to check in at the "touch points", like the customer's home, where he had to confirm he'd reached. But he learned quickly, and if there were problems he could call his friends or the fleet managers.

The money was good, Raj says, until February 2020. Working full-time seven days a week, Raj was making Rs 9,000 (\$122) a week including bonuses, called incentives. After subtracting fuel and bike

maintenance costs, he was making more delivering food than in his supervisor job. In November 2019, he got married and supports his wife, parents and two younger siblings who were in college till recently.

Shafiq, a deliveryman in Surat, said the bonuses, targets and level-ups in the app used to make him feel like he was playing a real-life video game.

In 2019, Swiggy <u>lost</u> Rs 2,367 crore (\$46.5 million), partly due to high operational costs as the company expanded to 500 cities.

In September 2019, employees say that Swiggy decided to remove fleet managers, who worked out of Swiggy hubs and were the points of contact for delivery agents. The plan, they say, was to replace some managers with digital systems.

Fleet managers are crucial for operations, said Noopur Raval, a research fellow at New York University's AI Now Institute who has studied food delivery work. For example, Bangalore had more than 25 fleet managers overseeing zones in the city, she said. There are many languages spoken in the city, its streets are chaotic and the ground situation changes rapidly.

"Somebody on the northern outskirts or suburbs might not have any idea of what to do [to resolve a situation] in the southern part, and it would take them a minimum of one hour to even get there if something went wrong," Raval said.

In December 2019, Nikhil*, a former Swiggy senior fleet manager in a major Indian city, heard that he and 53 others would lose their jobs by mid-March.

For five years, Nikhil handled one hub with 11 assistants and around 2,900 delivery executives. His team worked shifts from 7 am to 4 am Nikhil would be there for 9 to 10 hours. They would call executives, ask about delays, track them using GPS to ensure orders get delivered. They knew most of their executives personally.

When a delivery person had an issue, like with payments or if he's had an accident, he would talk to a manager, who'd pull up details on his laptop and resolve the issue quickly.

Nikhil said he could never really turn off as he oversaw the operation. On weekends, he'd receive 350 calls a day. He took pride in his job and achievement as his hub was the top performing months on end. When higher ups wanted to learn how the system works, they'd come to his hub, he recalled.

In January 2020, the bots began taking over, Nikhil said. Swiggy launched its digital system, called "Remote Operations Control" – centralised call centres staffed by anonymous operatives.

Where managers like Nikhil used to interact personally with the delivery executives, this process is now digitised and automated. If, say, an order within 4 km has been picked but not delivered in around 30 minutes, the system now notes it and informs a human in Remote Operations Control, who calls the executive to warn him.

All errors made by the riders are noted by algorithms, which flash automated messages to warn them:

This is to notify you that more than 30% of orders delivered by you in the Week were delayed by more than 10 minutes... ID is permanently deactivated after 3^{rd} notice...

Or, 1st WARNING: It is observed that lately you are raising high no. of fake tickets. Next time, make

sure to raise a ticket only in case of genuine issues. If not, your ID will be at risk of deactivation.

The warnings may be followed by a call from Control, and if there isn't improvement, the driver's ID is blocked.

Remote management is possible because Swiggy has long been collecting data from its delivery persons. Their GPS pings, their speed, satellite data – maybe even drone-based surveillance in the future – has allowed Swiggy to map city streets in greater detail than Google Maps, according to a Swiggy webinar. In a pilot, the company has placed Bluetooth beacons inside stores that can detect whether an executive is within five metres. In comparison, GPS has a 50-metre resolution. Using the Bluetooth system, Swiggy can detect whether an executive is across the street, or inside a restaurant as he claims, according to the engineer on the webinar. Such innovations allow bots to track workers in near real time, leaving little room for human fallibility.

A Swiggy spokesperson said that the Bluetooth beacons are not meant to track delivery partners but "to act as an additional signal for location accuracy" to allow for better "customer communications".

"Data is the new oil at this point," Vaz of Swiggy AI said last year at an event. "Data is going to be the proprietary asset a company has. At this point, we are just at the game of saying, 'Let's just gather data.' And once you gather that corpus of data, which you then have enough of content, then we can monetise that."

But despite all the talk of AI and data, Swiggy's system is still mostly digital. The difference, according to Rituparna Chakravarty, who runs TeamLease, a manpower agency, is that when a workflow is digitised, humans in call centres execute simple, bite-sized tasks – rather like bots. The setup is one step away from full automation, where humans are entirely eliminated.

Now, when an executive faces a problem while delivering, he informs a chatbot on his app. Then, he waits for a call from an anonymous voice from Remote Operations Control. The voice is polite, but it is not allowed to identify itself or say where it's calling from.

Sahil, a delivery executive, in Bangalore got an order in September at 10 pm. When he got to the restaurant, the item was not available. He waited for a call from Control for 1.5 hours. "The customer kept calling me like it was my issue to resolve, when it wasn't," he recalled.

Finally, the order was rejected and cancelled. "After all this, they paid me cancellation charges of Rs 10," he said. "The partner support in the app sometimes does not connect at all, when it should be immediate."

Around March, Swiggy launched an online form, hosted on Google, where executives can enter their grievances. Nikhil, the fleet manager, was instructed to tell his executives not to call him anymore. Everything had to go through the form. As not all delivery persons know English, the more experienced riders help co-workers fill the form and act as intermediaries with the company. They aren't paid for the additional managerial role.

Irshad, a deliveryman in Surat, said that he now needs to write down if he makes any route deviations due to road closures, which could trigger a warning. His weekly day off is wasted filling the Google Form to dispute warnings or recover payments, he said.

The Google Form system distills the interaction between delivery workers and fleet managers into a codable spreadsheet, which means the system is on its way to being automated in the future.

A Swiggy spokesperson said that "at our scale of operations, it's humanly impossible to manually run

most of our operations and hence technology (AI) plays a crucial role".

March came and went without the expected layoffs in Nikhil's city, he recalled. "Maybe the system wasn't ready," he said. The lockdown began. The streets were unpredictable. Delivery executives *The Wire* spoke to said they got little support from the company during COVID-19.

Police stopped riders in the initial weeks. In Surat, they seized delivery man Faizal's bike and he paid Rs 2,000 to retrieve it. He asked Swiggy to reimburse him. A voice called him and said, *Work if you want or go home*, Faizal recalled.

During the lockdown, Faizal would deliver food to doctors at hospitals. Some refused to collect at the gate and he'd have to go inside, he said. "I must also look out for my own safety during these times and would like to stay away from hospital wards where people are being treated for COVID," he said. "Who will take the responsibility if I get the virus? Definitely not Swiggy!"

In April, a bike rear-ended former Swiggy executive Irshad's vehicle. His bike slipped and he fell, hurting his left hand. Thinking it minor, he continued working for two hours before he realised the pain wasn't abating. He logged off, went to the hospital and got it X-rayed. There was a hairline fracture. A friend took him to the hub. Irshad said that when he joined Swiggy in 2018, he was promised paid leave if he got injured on the job. But during the pandemic, Swiggy was only giving paid leave to virus-infected employees, and the fleet manager (they were still around) said it did not apply as Irshad didn't have COVID-19.

'Independent self-employed persons', as delivery executives are called, don't get paid leave.

There was a programme, called "Swiggy Smiles", where executives could earn paid leave, or vouchers, through points, but it was abruptly discontinued this year. If a delivery man stays logged off for too long, his ID is blocked – an algorithmic way of firing a human. Multiple executives said that the way to avoid being fired is to request unpaid leave through Google Form ahead of time – almost as if they are employees on the company's payroll.

When contacted, a Swiggy spokesperson said, "...We received feedback that they would prefer the rewards to be directly included in their payouts. Hence the amount has been re-invested in the form of easy-to-achieve incentives for a larger set of partners."

Swiggy, however, did not clarify which, and by how much, incentives have increased. All delivery persons across India *The Wire* spoke to said the company cut incentives during the pandemic.

On May 18, Sriharsha Majety, Swiggy's co-founder, sent a company-wide email announcing job cuts. The company began "chalking out a path to profitability... last December," he wrote. "We had mentioned we will be focusing on being efficient everywhere – including employee costs..."

The letter implied the cuts and changes were out of Swiggy's hands and caused by the pandemic. A key focus would be to "identify and significantly reduce every single indirect cost like hubs, office infrastructure, etc.," Majety wrote. "We've all done some of the greatest work of our time at Swiggy over the last few weeks working remotely, and that's reason enough to believe this can be done." He said the company was working to improve the "unit economics" – that is, cost per delivery.

Majety said there'd be layoff benefits, such as a month's extra salary for each year a person has worked.

The next day, 18 managers were fired in Nikhil's city – and hundreds were fired across India and hubs were shut down, according to multiple sources.

"Earlier there was decent support provided by fleet managers," Faizal, an executive in Surat, said. "But I don't know what happened, the fleet managers are no more and we have no support."

In June, Nikhil was invited to a video call with his boss and the HR manager. They requested him to join Quess, a third-party workforce management company and work at Remote Operations Control. Nikhil declined politely. He felt the role was beneath his skill level, and knew the Quess job would be temporary as Swiggy aims to fully automate operations. He worried that if he moved off Swiggy's payroll and was later fired, he would not qualify for layoff benefits.

The next morning, he was locked out of the operating system. He lost his job. So did all managers, except the few who moved to Quess, Nikhil said.

He said has not received the promised layoff benefits from Swiggy. When *The Wire* reached out to the company, a Swiggy spokesperson disputed that any laid-off employee would not receive benefits and added that all employees that transition out of the system are given "tenure benefits as per the policy".

In June, the food delivery business began to recover as India started winding back some of its lockdown rules.

Still, on July 28, Swiggy fired 350 additional employees, again blaming COVID-19. A Swiggy spokesperson at the time said that orders were still half of pre-COVID-19 levels in July so "we had to, unfortunately, go ahead with the final realignment exercise".

AIGWU's Krishaswamy believes the company saw the COVID pandemic as an opportunity for distraction while it terminated jobs and cut the pay of the lowest-paid, most disenfranchised workers.

Nikhil agreed, and put it more colourfully, quoting a Hindi proverb: "A branch was about to break when a bird thought, I'll sit on that branch for a while, I'm tired. And as soon as it sat, the branch broke. It's like that – these people needed a reason and COVID was there for their assistance."

Since the beginning of the year, Swiggy has drastically cut payments to delivery persons, according to riders *The Wire* spoke to. They said they now earn around Rs 20,000 during an average month, not including bonuses tied to festivals like Diwali or cricket. After fuel and bike maintenance costs of Rs 3,000 a month, the take-home pay is meagre. Many men *The Wire* spoke to earned more in their old jobs before they joined Swiggy in 2018, attracted by potential payouts of up to Rs 40,000.

There have been multiple cuts. A route optimisation algorithm – developed and piloted before COVID-19 – increasingly clubs deliveries together, but a two-for-one delivery pays less than two separate orders, said Asif, an executive.

"The scheme benefits them more than it does for us," he said. "Suppose a normal order would pay us Rs 35 and now with the 'multi-order scheme', they group two orders together and pay us between Rs 10 and Rs 18 for the second order."

Swiggy, however, says that order batching is beneficial to executives because it saves them time – it eliminates the wait time between two separate orders, and a rider does not have to go back to the restaurant to pick up a second order.

As noted above, a company spokesperson disputed the pay cuts and said its riders earn more today than before COVID-19 – but did not provide data to back up this assertion. Swiggy's payments are on par with industry average, the spokesperson said.

Riders *The Wire* spoke to said if they leave Swiggy, they can only move to Zomato, which has also been called out for its dismal work conditions by Oxford University's Fairwork project. Jobs are scarce.

"During the lockdown, the company benefited from the lack of jobs in the market," Faizal, a deliveryman, said. "They reduced our pay and we had no option but to work for whatever they would decide to pay us."

In August, delivery executives began striking in Chennai. Log-outs spread from zone to zone, propelled by a wave of frustration. Riders went on strike across the nation, watched closely by labor unions. In Delhi, the All India Gig Workers Union, a group affiliated with gig workers that is not a formal union, discouraged a strike as it ought to be a last resort in a negotiation toolkit, Krishnaswamy said. But the men decided to strike anyway.

"The reason why the gig workers are so much more pro-collectivisation now is that they see the number of orders increasing, and the work has not reduced at all," Krishnaswamy said. Yet, their pay has remained low. A Swiggy spokesperson said that orders have recovered to 85% of pre-COVID-19 levels.

In September, 150 workers logged off in New Friends Colony in South Delhi. It was weird, Krishnaswamy recalled, because there was no one to strike against. Hubs had shut down, fleet managers were fired. Swiggy had no face.

The deliveryman who was organising the strike learned that a senior "area manager" sometimes visited a Swiggy cloud kitchen nearby. He called Krishnaswamy at 10 am in mid-September and said his men would occupy the kitchen. When Krishnaswamy got there an hour later, she found a group of around 20 orange-clad men milling under a tree in front of a typical South Delhi plaza. The cloud kitchen was a basement hole-in-the-wall. The kitchen workers were sitting on the pavement watching in sympathy, she recalled.

The organiser, she learned, was talking to someone inside. A while later, he emerged with a large, moustachioed man. Krishnaswamy said he was a "threat manager" employed by Swiggy to handle disruptive workers. His motorbike had a faded police sticker, she recalled.

The organiser told his co-workers the man had put him on the phone with the area manager. He had listed their demands – restore pay, bonuses, incentives, Swiggy Smiles. The manager had listened and then hung up.

That was all. The workers dispersed.

The executives couldn't strike for very long, Krishnaswamy said. After all, times were incredibly hard. And Swiggy could wait them out; it hired third-party riders at a premium from Rapido, Shadowfax, Pidge and other groups and blocked the IDs of a few executives, just enough to sow dissent in the ranks, Krishaswamy said. Multiple executives *The Wire* spoke to said they were told their IDs were blocked because they were at a strike.

The point was made: the drivers are replaceable.

Swiggy is now hiring managers to understand "abnormal situations", learn how to restore normal operating conditions, and avoid them in the future.

When asked about this, a Swiggy spokesperson said that a handful of delivery executives resorted to violent behavior so it had to safeguard its stakeholders and maintain law and order.

"We have not made any account suspension based on the presence of a particular individual in a peaceful protest nor have we sent 'threat managers' to discourage the strikers," the spokesperson said.

During the first lockdown in March, Raj in Surat couldn't deliver some orders in containment zones. His account was blocked – he was fired. He begged his then-fleet manager to reactivate his ID. It took 25 long days, Raj recalled. Meanwhile, his landlord increased the house rent and he had to make payments on a Rs 3 lakh (\$4,069) wedding loan. It was a nerve-wracking summer.

Now, Raj works from 6 am to 2 pm delivering Amazon packages, and from 6 pm to midnight for Swiggy. He works seven days a week. He earns less than half of what he used to from Swiggy before COVID-19 – even though he sees orders are recovering. He said he sees no future at the company. In no other job does pay decrease over time, he said.

"Even if I work as a labourer in a mill, I can expect some growth," he said. "I know I can start as an assistant, grow into a colour mix expert, then to a supervisor's position and so on. But where is the career growth in this line of work as a food delivery partner?"

*Certain names in this story have been changed to protect the identity of the person.

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