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Highlights

Customer Perspective on Virtual Tourism |
COVID-19 Impact on Employment Scenario in India |
Entrepreneurial Opportunity of Cross Border Acquisition |
Status of Gig and Platform Workers |



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An NLP-based Approach to Understand Customer Perspective on Virtual Tourism

Ananya Ray¹ and Pradip Kumar Bala²

Abstract

The increasing popularity of virtual tourism in the last few decades has seen a rise in tourists opting for virtual tourism to visit new places. However, there are very few studies on “virtual tourism”. There is also a need to examine customer sentiments and views about virtual tourism. To address these gaps, we have utilised natural language processing (NLP) based techniques, sentiment, emotion and word-cloud analysis. Results of the study show that the tourists have generally portrayed a positive sentiment and have shown positive emotions (happy, surprise) usually. The major themes coming out of the word-cloud analysis are knowledge and skills, which shows that tourists generally enjoy when the tour guides are knowledgeable and skilful.

Keywords: Natural Language Processing; Emotion Analysis; Knowledgeable and Skilful Guides; Sentiment Analysis; Virtual Tourism;

1. Introduction

In the past few decades, there has been an increase in the adoption and usage of technology in the tourism industry. One such adoption came in the form of virtual tourism. Virtual tourism makes use of technological devices, both hardware and software, to provide an immersive travel environment and experiences without the requirement of physical movement. Virtual reality (VR), augmented reality (AR) and live streaming are

certain ways among many others in which tourism is being made available online. Even though virtual tourism was available before the pandemic era, it was during the COVID-19 pandemic that tourism in the online form took off. It was mostly driven by the travel restrictions due to the imposition of social distancing, which was considered the best solution at the time (Sengupta, 2020). Most of the industries suffered major setbacks due to the travel restrictions which started off as international bans and in the later phase led to internal lockdowns. At such a turbulent time, businesses that adopted newer technology and innovations fared among others (Sundar, 2020). In the tourism sector, travel agencies

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and tour operators as well as museums and zoos took it upon themselves to arrange virtual tours in order to recover from the economic losses that they were facing due to the same. The public, having limited access to entertainment, also welcomed this idea at that time as they were able to relieve their stress from being locked up in their homes. Households with children especially were more than happy to keep their children engaged through the virtual mode of learning and activities including travel. However, as the lockdowns started phasing out subsequently with time, people no longer needed virtual modes of travel in the same way as they did during the pandemic. Therefore, the question that started lurking was whether virtual tourism will be able to enjoy the same kind of popularity in the post-COVID-19 era or not, and if so, what measures need to be adopted by the tour operators to withstand the pressure of the times and retain their customer base.

In this study, we are trying to understand the future scope of virtual tourism by answering the above questions. In order to do so, understanding the perspective of the tourists who have availed of virtual tours and visits is very important as they can serve as crucial sources of information regarding the charms of such tours, which will help in determining the future of virtual mode of travel. Through this study, we are trying to draw insights from the tourist experience and their satisfaction level with virtual tourism by analysing the reviews left by them on the online platform

providing virtual tours.

Section 2 following the introduction contains a review of existing literature where we have discussed quality articles published on virtual tourism. Section 3 discusses the research method used. Section 4 contains the analysis and discussion. Section 5 contains the implications, limitations and scope for future research.

2. Literature Review

Virtual reality (VR) was defined by Perry Hobson and Williams (1995) as a computer-generated medium that helps people to feel that they are being transported to a world of imagination. The past works of Burdea and Coiffet (2003), Vince (2004), Gutiérrez *et al.* (2008) and Guttentag (2010) defined virtual reality as the use of a virtual environment (VE), a computer-generated 3D environment, that people can both easily navigate through and interact with, thereby, stimulating one or more of their five senses in real-time. Virtual environments can be built either synthetically or through images clicked in the real world (Beck *et al.*, 2019). 360 degree VR is gaining popularity recently where spherical 360 degree panoramic photos and videos of real-world are compiled to come up with 360 degree panoramic views which allow the users to move virtually and check out the views from different perspectives (Beck *et al.*, 2019; Slater & Sanchez-Vives, 2016) without having to physically travel. Lu *et al.* (2021) included the aspect of live streaming and

broadcasting, without necessarily using VR technology, in their definition of virtual tourism. Augmented reality (AR), though quite similar to VR, differs in the fact that it allows users to interact with the environment, unlike in the case of VR. Live streaming and broadcasting is also a trending phenomenon that is being adopted by many travel agencies, tourist destinations as well as individuals worldwide via different platforms like TikTok, Twitch, Weibo and Youtube among many others. Though virtual tourism existed in the past as well, it was the outbreak of the pandemic that gave a sudden boost to its adoption due to travel restrictions. It helped the tourism industry to a certain extent to recover the losses they faced due to the pandemic.

Virtual reality has been used in the tourism industry in multiple segments including marketing, education, entertainment, accessibility and heritage preservation (Guttentag, 2010). Virtual tours in the form of VR as well as live streams can be used to promote tourist destinations as it helps potential visitors in assessing the place without even being there. In May 2020, Tourism Australia launched a campaign called "Live from AUS" showcasing its scenic beauties in real-time in order to reach out to potential visitors and retain its tourism industry post-pandemic. A Chinese online travel agency (OTA), Ctrip, earned USD3.84 million by selling tourism products in an hour through live stream sales (China Travel News,

2020). Virtual reality is used as an entertainment tourism product as applied in different theme parks like VR parks at Disney and Dubai. VR can be used as a learning tool that is most apt for museums and heritage sites (Carrozzino & Bergamasco, 2010). Similarly, online virtual tours can be used as well to educate and attract visitors in large masses as applied by the Louvre Museum (Louvre Museum, 2020) and the Palace Museum (Palace Museum, 2020). AR was also found to be crucial in maintaining authenticity while exploring heritage sites (Dueholm & Smed, 2014). Virtual tourism provides people with virtual access to places that are distant, too costly to afford and way too dangerous to pay a visit (Guttentag, 2010). It is also helpful for the physically disabled and older people who face trouble in travelling. However, the sustainability of virtual tourism in the future depends mostly on how it is being hailed by the general public. Additionally, virtual tourism can help in eco-friendly or sustainable tourism practices by reducing the pressure on natural resources in that particular location. However, since virtual tourism is an emerging concept, it is important to understand customers' viewpoints to examine the main drivers of customers' intention to use virtual tourism. What can be a better way to understand drivers of customer intention than online customer reviews?

Researchers have seen that online reviews help in portraying the customers' opinions on not only products (Lackermair *et al.*, 2013) but

also services (Sotiriadis & van Zyl, 2013). They provide immediate feedback on the products and services availed. Online reviews have also been found to produce effective word of mouth online (Chen & Xie, 2008). It has been defined as the informal communications that take place on online platforms between the consumers and the sellers or among the consumers themselves (Litvin *et al.*, 2008). Due to these communications, it has been found that online reviews are quite helpful in influencing other potential customers in their behavioural intentions (Jiménez & Mendoza, 2013). Therefore, not only will analysing the online reviews help in understanding the public and experienced users' opinions on virtual tourism but also help in attracting the attention of potential virtual tourists.

Not much work has been done on capturing the tourist experience related to virtual tourism. Bec *et al.* (2021) acknowledged the need for future work on evaluating the experience of virtual tourists in order to extract ways in which more tourist engagement can be gained, thereby providing better visitor satisfaction. Verma *et al.* (2022) mentioned in their work that the role of eWOM valence and volume in pushing virtual tourism is yet to be explored. Studies have been done on customer reviews of online experience platforms (Cenni & Vásquez, 2021; Wong *et al.*, 2022). However, these studies have mostly been focused on the reviews of the customers in the COVID-19

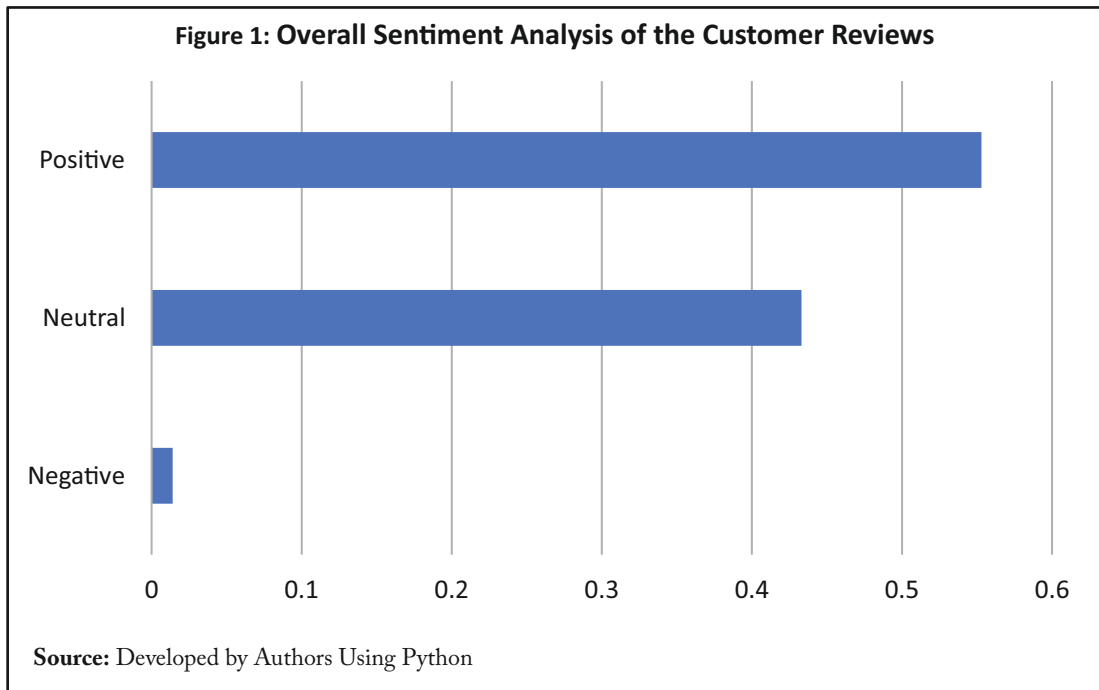
era when the demand for virtual tours was on the rise due to the restrictions. Therefore, here, we are trying to do a study on virtual tourism to understand the opinions of customers of such virtual tours by analysing their reviews in the post COVID-19 times, when lockdowns were starting to subside, on different types of online travel experiences captured from online sources.

3. Research Methodology

In this study, we needed to capture the customers' perspectives about the virtual tours that they participated in. Online reviews about virtual tours shared by the participants contain valuable insights about their individual experiences. We extracted the reviews of the tourists who shared reviews about the virtual tours they had participated in through the “Airbnb” website. To analyse the reviews, natural language processing (NLP) based techniques, sentiment, emotion and word-cloud analysis were utilised. Themes were extracted from the online reviews using word-cloud analysis to understand the hidden insights from the customers' viewpoints. Sentiment analysis and emotion analysis was conducted on the collected dataset to find out the overall emotion of the tourists after experiencing the physically restrained tours.

4. Results and Discussions

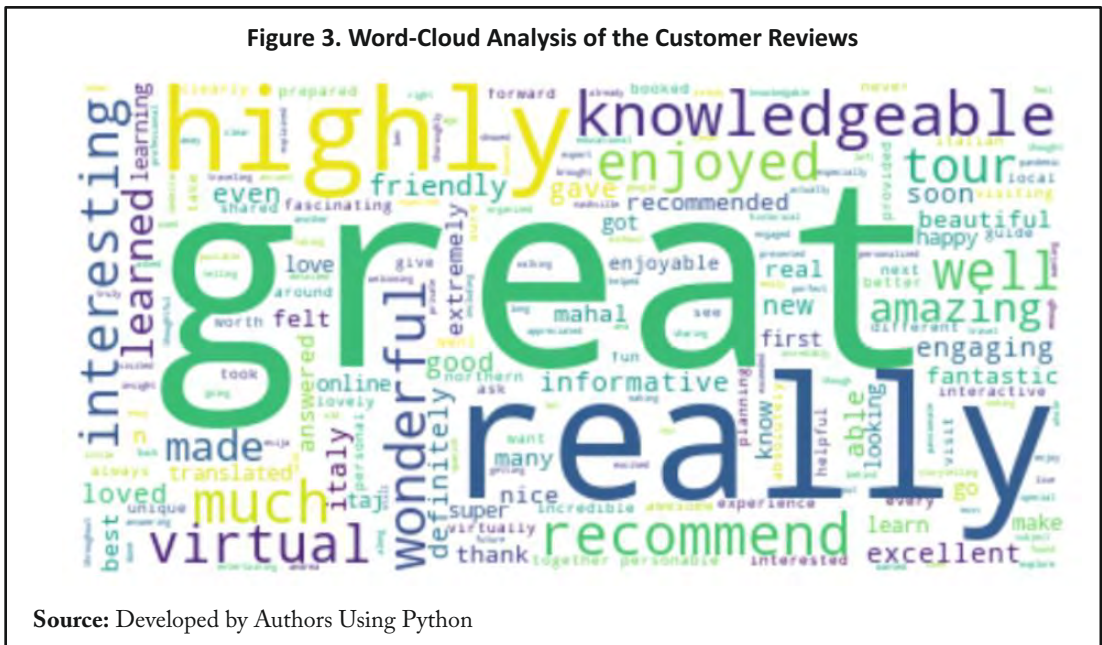
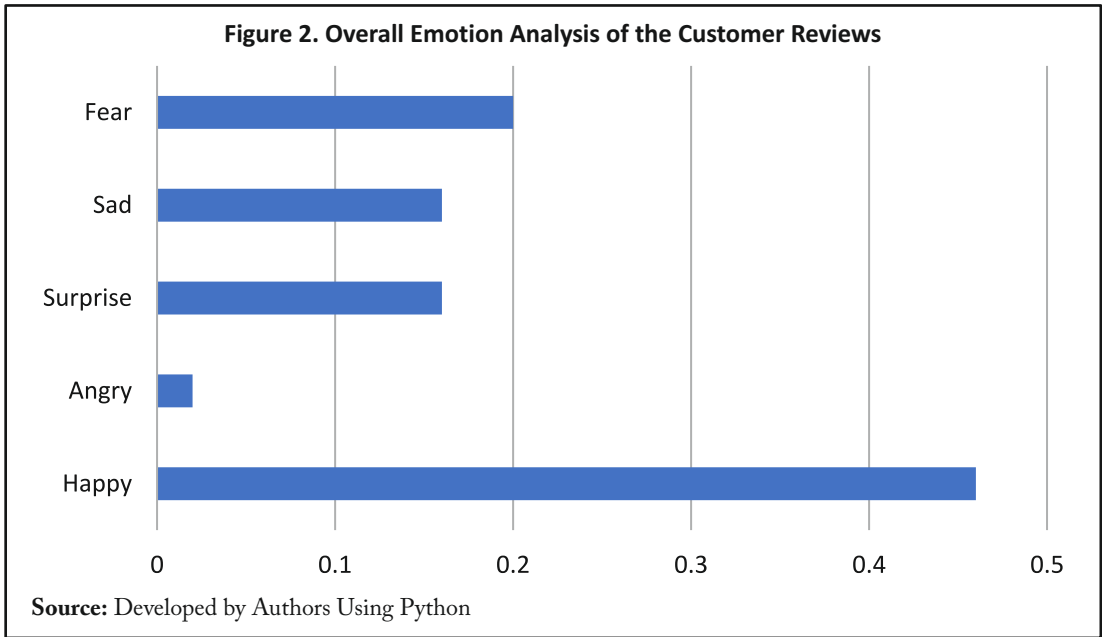
The overall analysis of the customer reviews reflect a positive sentiment towards virtual tourism. An in-depth analysis of the customer



reviews show that although customers have expressed mostly 'happy' (46 per cent) emotions as seen in Figure 1, customers have also expressed 'fear' (20 per cent) and 'sad' (16 per cent) emotions (Figure 2). This means that although customers are mostly happy, they may feel sad when the virtual experience doesn't go as expected. Additionally, when making a payment, customers might have the fear of not getting the expected results. Customers have also expressed 'surprise' (16 per cent). This can potentially be because of the tour operator. If the tour operator provides some additional experience, which the customers were not expecting, the customers will be really happy. However, there is a need to

explore the words usually used by the customers in the reviews to get a better understanding.

Findings from this study suggest that customers are enjoying the relatively new concept of virtual travel. The word cloud analysis (Figure 3) shows that the customers were found to have repeatedly used positive words showing how much they appreciate the content that was offered. Their experiences, as shared in the reviews, reflect an appreciation for the effort that the tour guides had put into preparing the content for the tours. They have been deemed knowledgeable and skilled enough to engage an audience through the screen by interacting with them and



responding well to the questions put forward by online visitors. The customers were found to even thank the tour providers through the online forum for the great learning experience as well. They seemed to be satisfied with the experience due to their willingness to recommend such virtual tours to other potential customers.

The concept of virtual travel flourished in recent years due to the restrictions on travel during the pandemic. However, as the data consists of reviews of the virtual tours conducted even after the restrictions on travel were lifted, the results from the analysis are reflective of the fact that virtual tours do have a prospective future but do depend on certain factors that might affect the satisfaction level of the customers. Since in the case of virtual tours, the customers are not physically present, its success depends largely on the tour guides since they are the mode through which the customers experience it all. Therefore, their knowledge and the way they interact with the customers and deliver information to them play a very important role in the successful engagement of the customers in the whole experience and thereby the satisfaction level of the customers with the service is also affected. This is proven by the overall positive response of the customers who were happy with the informative and engaging tours that were provided.

This study proves that companies should continue to conduct such virtual tours since

there is a potential customer base that is willing to pay to experience such tours as well as recommend them to others.

5. Implications

This study will be an addition to the limited study done on virtual tourism capturing the tourist point of view using text mining techniques. This study provides valuable insight into the mindset of virtual tourists and their expectations from such experiences by analysing customer reviews. The customers were found to be content with paid virtual tours. The quality of the knowledge of the tour guides and their ability and way of delivering the virtual content as well as the way they handled questions seemed to have a significant impact on the customers' experience of the virtual tours. Customers' willingness to refer such tours to fellow potential customers is reflected in their recommendations. Theoretically, this study helps in identifying factors like knowledge of the tour guide, engagement level and quality of content that can be used to add to the limited frameworks used to understand customer satisfaction with virtual tours.

Since the entire interaction between the service provider and the client in the case of virtual tours take place over the internet, tour operators need to pay attention to online reviews to gain feedback as well as to understand the expectations of their customers. The insights from this study will be helpful for tour providers in improving the

quality of the service provided which will thereby help in retaining virtual tourists as well as attracting them to the destinations physically. This study will also help us in understanding the general consensus on the idea of virtual tourism. This will help in forecasting whether virtual tourism will be able to sustain in the future or not.

6. Limitations and Future Scope

This qualitative study has been conducted based on a limited dataset collected from one website providing online tours. To make it more generalised, future scholars can take up different platforms providing a wider range of online experiences for their studies on virtual tourism. Moreover, in the future, a mixed-method approach can be adopted to get a more comprehensive result. Future researchers can also look into the scope of different types of virtual tours based on factors like geographical location, time and age of the customers. Future researchers can also take into account the effect of the availability of unpaid tourism products that are available for free on the internet on the sales of the online platforms selling tourism products.

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Employment Scenario in India: The COVID-19 Impact

Swati Raju¹

Abstract

The paper has examined the employment scenario in the wake of the COVID-19 pandemic based on the three major indicators viz. the labour force participation rate, the worker population ratio and the unemployment rate. The analysis finds that the economic stress caused by the pandemic has led to increased labour force participation rates (LFPR)/ worker population ratio (WPR); increased female LFPR/WPR has further put the spotlight on a major policy concern of the lower youth LFPR and WPR. An analysis of WPR and usual monthly per capita expenditure (UMPCE) indicates that WPR is higher in rural areas and among rural female workers in both the lowest and highest decile classes of consumption expenditure. The paper also observes a higher WPR amongst primary and middle school level workers during the pandemic years. Further, the lower rural unemployment rate during the pandemic is a pointer to the role played by the Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA) in mitigating the rural unemployment rate.

Keywords: Employment, Labour Force Participation Rate, Worker Population Ratio, Unemployment, COVID-19 Pandemic

1. Introduction

The employment/unemployment situation and more so among the youth, in the country continues to be a major policy challenge that has been aggravated by the COVID-19 pandemic. The employment/unemployment situation is usually analysed using different metrics viz. the labour force participation rates (LFPR), worker population ratio (WPR), unemployment rate, the demand for

Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA) jobs and Employee Provident Fund Organisation (EPFO) data among others.

This paper examines the current scenario of employment/unemployment at the all-India level along with a comparative performance over the last two decades through the prism of gender and age, consumption expenditure and education from 2004-05 [61st Round of the National Sample Survey Office (NSSO)] till the recent Periodic Labour Force Survey (PLFS) Report 2020-21. The focus has been

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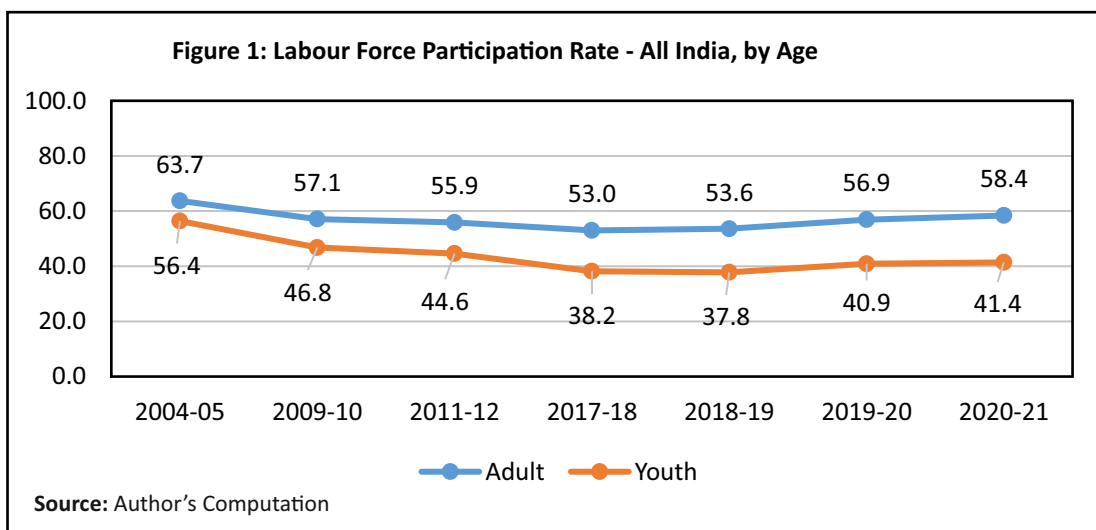
on understanding the changes/trends from the supply side during the pre-pandemic and pandemic periods. Although, the pandemic measures such as lockdown were initiated in mid-March 2020, several studies refer to 2019-20 and 2020-21 as the pandemic years. Further, the period of the PLFS 2019-20 is from July 2019 to June 2020 and hence covers the first lockdown. Section 2 of the paper focuses on the metric of the LFPR and studies it with respect to age and gender while Section 3 of the paper discusses WPR along with subsections 3.1 and 3.2 which examine the relationship between WPR for different deciles of consumption expenditure and education respectively. Section 4 contains a brief analysis of the unemployment scenario and Section 5 concludes the paper.

2. Labour Force Participation Rate

The term labour force refers to the

‘economically active’ population of a country and hence indicates the section of the population which supplies or seeks to supply labour for production and includes both ‘employed’ and ‘unemployed’ persons seeking work. LFPR is defined as the percentage of persons in the labour force in the population and is calculated as the number of employed and unemployed persons as a percentage of the total population.

Figure 1 portrays the adult (15-59 years) and youth (15-29 years) LFPRs and it can be seen that through the two decades since 2004-05, the youth LFPR has always been lower than the adult LFPR and the gap between the adult and youth LFPR has shown a mixed pattern with intermittent increases and declines over the last two decades and currently, the youth LFPR is 17 percentage points lower than the adult LFPR. The government of India (2022, p.58) in its report, ‘Youth in India’ writes, ‘Low



rates of labour force participation among youth are natural, given that many young people are engaged in full-time studies or in training in preparation for future work. Inactivity is not in and of itself a reflection of poor labour market outcomes. Youth may be economically inactive by choice, spending their time on personal development or carrying out the responsibilities associated with marriage, household work, raising children, or providing care to older relatives”.

An analysis of the LFPR by gender for both adult and youth (Tables 1 and 2) highlight the well discussed aspect of falling female LFPR among both adult and youth and shows that the adult (male and female) LFPR, are higher than the youth (male and female) LFPR respectively. One probable reason, discussed in detail later in the paper, for lower youth LFPR can be explained by the lack of employment opportunities and youth taking to higher education to avoid entering the job market (Vyas, 2022). The government of India (2022, pp.58-59) in its ‘Youth in India’ draws attention and states, *“While there are concerns that young women, who still bear the primary responsibility for taking care of children and the home in most countries, are being excluded from economic opportunities outside the home, this remains an important personal choice. Other reasons for low LFPR of female youth may be about the working conditions such as law and order, inefficient public transportation, violence against women, societal norms etc.”.* The report further stated that *“Differentiating disguised*

unemployment from voluntary inactivity can be difficult, but inactivity among young women that is the result of having given up the search for employment rather than having made a voluntary decision not to work should be considered disguised unemployment”.

However, interesting to note in both cases is the increase in female LFPR during the pandemic years. A substantial increase of 5.8 percentage points to 32.3 per cent in 2019-20 and further increase to 35.2 per cent in 2020-21 is observed in the adult female LFPR while an increase from 4.8 per cent to 20.6 per cent in 2019-20 and further to 21.1 per cent in 2020-21 is seen in youth female LFPR.

Kapoor & Negi (2021) note that the improved female LFPR seen in the PLFS 2019-20 is largely due to the thrust from the rural LFPR rather than the urban LFPR and point out that the increase in the female LFPR could be a positive consequence of increasing education among females over the years. In urban areas, females having an education level beyond middle school had made minor contributions to the labour market. Further, in rural areas, on the other hand, females with low or no education level joined the labour force significantly and hence it can be viewed most likely as a stress-driven surge due to loss of employment and the livelihood of the masses during COVID-19. The paper also highlights earlier episodes of distress in the rural economy that led to increasing female LFPRs during 1999-2000 to 2004-05 due to widespread agrarian distress and in 1987-88

Table 1: Adult Labour Force Participation Rate, All India and by Gender

	2004-05 (61 st Round)	2009-10 (66 th Round)	2011-12 (68 th Round)	2017-18	2018-19	2019-20	2020-21
Male	84.0	80.6	79.8	80.2	80.3	81.2	81.2
Female	42.7	32.6	31.2	25.3	26.5	32.3	35.2
Gender Gap	41.3	48.0	48.6	54.9	53.8	48.9	46.0

Source: Author's Computation based on Data from NSSO, PLFS Annual Reports (2017-18 to 2020-21)².

due to the drought. In both these instances, the female LFPRs peaked.

The Economic Survey (2022-23, p.158) writes, 'noticeable rise in rural FLFPR³ from 19.7 per cent in 2018-19 to 27.7 per cent in 2020-21'. Although, EPFO payroll data was not the focus of this paper, it is pertinent to note the demand side as well and the Economic Survey (2022-23, pp.158-159) mentions that, "the net addition to EPFO payroll is steadily moving upward, with the majority share coming from the youth. Employment in nine major sectors has increased by 10 lakhs over the year 2021-22 as per the QES⁴. Employment in the organised manufacturing sector has also been rising over the

years, as per the ASI⁵ 2019-20 data. The steady increase in employment levels can be attributed to multiple measures taken to cushion the impact of COVID-19 on MSMEs, street vendors and manufacturing units and provide job opportunities through various targeted schemes and measures".

The gender differential in both adult and youth LFPR (Figure 2) which had displayed an increasing trend until 2017-18 has shown a decline since 2019-20. It is important to note that the gender differential is higher among adult workers compared to the youth. Despite the decline in the gender differential in LFPR since 2019-20, the gender differential in 2020-21 for both adults and youth is higher

²Ministry of Statistics and Programme Implementation. *Report on Employment-Unemployment of NSSO*, various Rounds. Retrieved from: <https://rb.gy/f5oo1a>

Ministry of Statistics and Programme Implementation. *Annual Bulletin: Periodic Labour Force Survey*, various years. Retrieved from: <https://rb.gy/lre23l>

³Female Labour Force Participation Rates

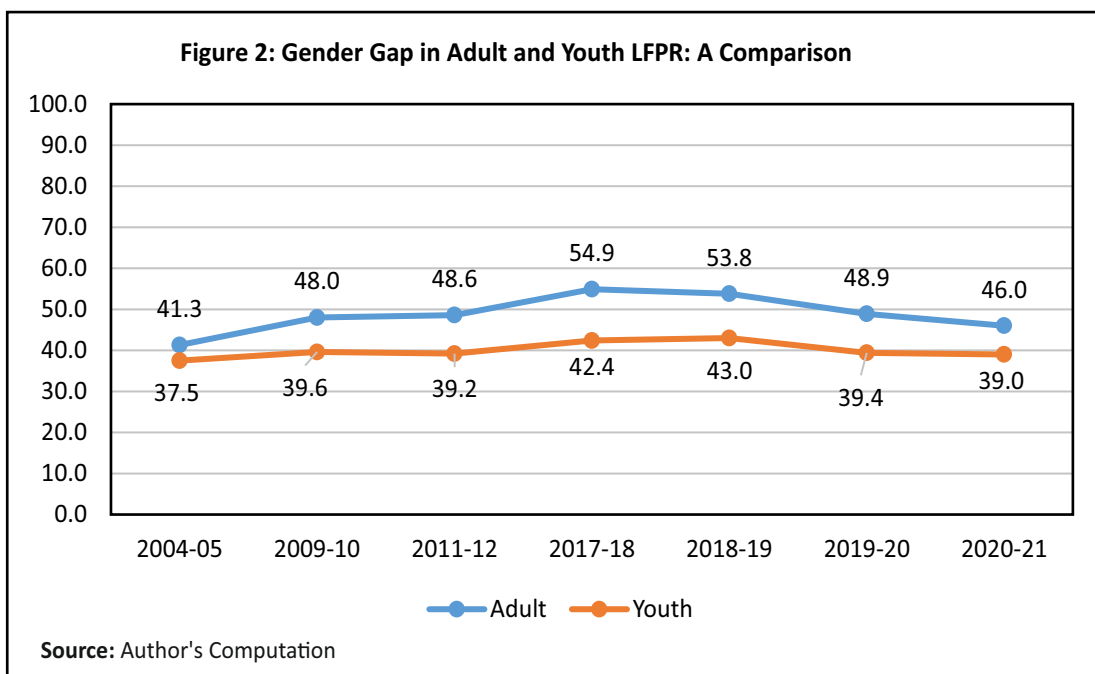
⁴Quarterly Employment Survey

⁵Annual Survey of Industries

Table 2: Youth Labour Force Participation Rate, All India and by Gender

	2004-05 (61 st Round)	2009-10 (66 th Round)	2011-12 (68 th Round)	2017-18	2018-19	2019-20	2020-21
Male	74.6	65.9	63.6	58.8	58.8	60	60.1
Female	37.1	26.3	24.4	16.4	15.8	20.6	21.1
Gender Gap	37.5	39.6	39.2	42.4	43.0	39.4	39.0

Source: Author’s Computation based on Data from NSSO, PLFS Annual Reports (2017-18 to 2020-21)⁶



⁶Ministry of Statistics and Programme Implementation. *Report on Employment-Unemployment of NSSO*, various Rounds. Retrieved from: <https://rb.gy/f5oo1a>; Ministry of Statistics and Programme Implementation. *Annual Bulletin: Periodic Labour Force Survey*, various years. Retrieved from: <https://rb.gy/lre231>

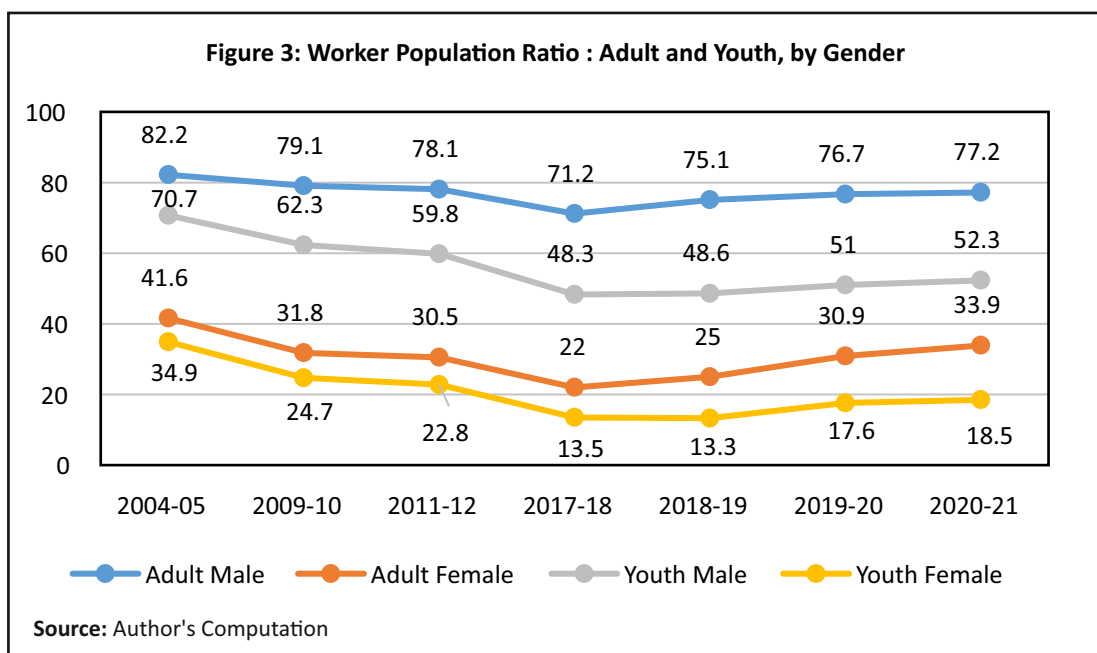
than in 2004-05. The gender differential for adults has increased by 4.3 percentage points while that among youth has increased by 1.5 percentage points.

3. Worker Population Ratio

Another significant metric of employment is the worker population ratio (WPR) which is defined as the percentage of employed persons in the population. An all-India analysis reveals interesting facets of the employment scenario in the country. It can be observed from Figure 3 that the WPR since 2017-18 has been showing an increasing trend for both adults and youth as well as males and females. Like in the case of LFPR, the WPR for males (adult and youth) is higher than the WPR for

females (adult and youth). The difference between adult male WPR and youth male WPR has more than doubled from 11.5 percentage points in 2004-05 to 24.9 percentage points in 2020-21. The gap between female adult WPR and female youth WPR has also more than doubled from 6.7 percentage points in 2004-05 to 15.4 percentage points in 2020-21.

Besides, WPR has been consistently higher for males than females in the period since 2004-05. And the WPR for youth is lower than the WPR for adults. Chakraborty *et al.* (2022) observe, “*The 2020-21 PLFS shows some interesting and unusual trends, namely the increased workforce participation rate (WPR). Even during the pandemic (2019-20 to 2020-*



21), the overall WPR rose from 53.9% to 55.3% which was entirely driven by the increase in women’s employment in rural India.”

Although female WPR (adult as well as the youth) has been usually lower than male (adult and youth) WPR, the pandemic period (2019-20 to 2020-21) saw an increase in female WPR that was largely due to the rise in the WPR of rural women particularly on account of increase in self-employment – an increase of 10 per cent in own-account employment between 2019-20 to 2020-21 (Chakraborty *et al.*, 2022).

Another facet that Chakraborty *et al.* (2022) highlight is the increase in rural female WPR during the pandemic years (between 2019-20 and 2020-21) observed among women with low education levels. For instance, the WPR for women educated up to the primary level rose by 6 percentage points; for non-literates

and middle school educated by 4 percentage points whilst in urban areas the WPRs for women who were graduate and above declined by 2 percentage points.

A comparison of the gender gap (GG) in WPR (Figure 4) for adult and youth workers mimics the gender differential observed in LFPR. It can be seen that the gender gap among adult workers is higher than the gender gap seen in the youth workforce.

3.1 Worker Population Ratio and Usual Monthly Per Capita Consumption Expenditure (UMPCE)

This section examines the worker population ratio among adults in the usual status and the usual monthly per capita expenditure (UMPCE) and we look at the lowest and the highest deciles in UMPCE. The data on households in the different decile classes of

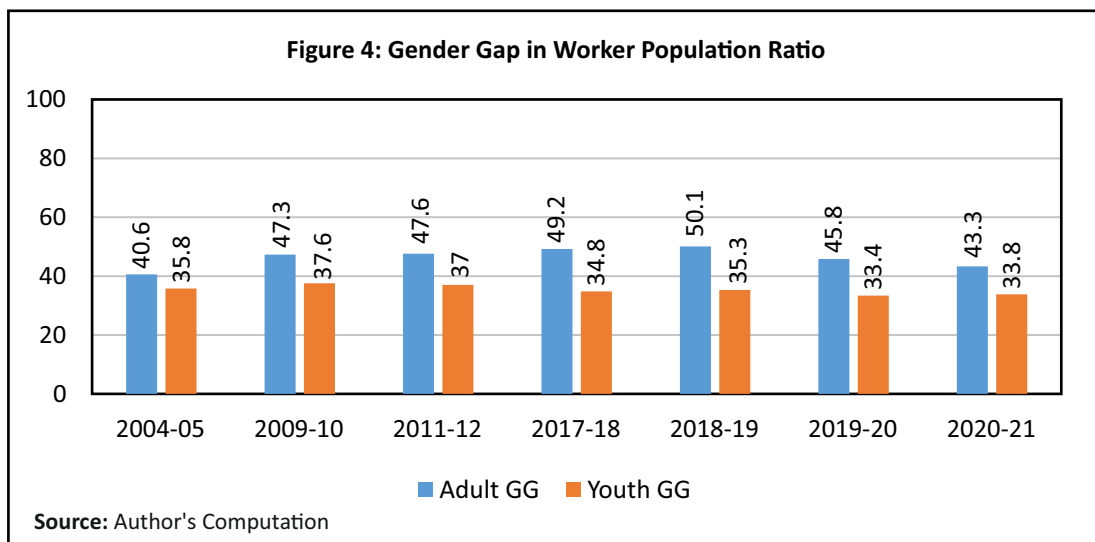


Table 3: WPR among Highest and Lowest MPCE Deciles

Year	UMPCE Decile Classes			
	Rural 0-10	Urban 0-10	Rural 99-100	Urban 99-100
2017-18	30.8	28.1	39.6	38.8
2018-19	31.1	27.5	40.6	39.6
2019-20	33.9	29.6	44.7	40.2
2020-21	35.3	31.2	47.0	42.1

Source: PLFS Annual Reports (2017-18 to 2020-21)⁷

UMPCE was taken from the PLFS and are merely indicative of the distribution of households in the different MPCE classes.

It can be observed from Table 3 that the WPRs are higher in rural areas compared to urban areas for both the lowest and the highest decile UMPCE classes in each of the years 2017-18 to 2020-21. Further, WPRs in the highest UMPCE decile class (90-100) are greater than in the lowest (0-10) decile class. It is interesting to note that the difference in

WPR between the lowest and highest UMPCE decile classes in rural areas shows an increasing trend and has increased from 8.8 to 11.7 percentage points while in urban areas this difference has been around 11 percentage points.

An analysis of the gendered WPR among the lowest and highest UMPCE classes (Table 4) brings to the fore the stark difference in male and female WPRs.

It can be observed from Table 4 that the

Table 4: WPR and Rural-Urban MPCE

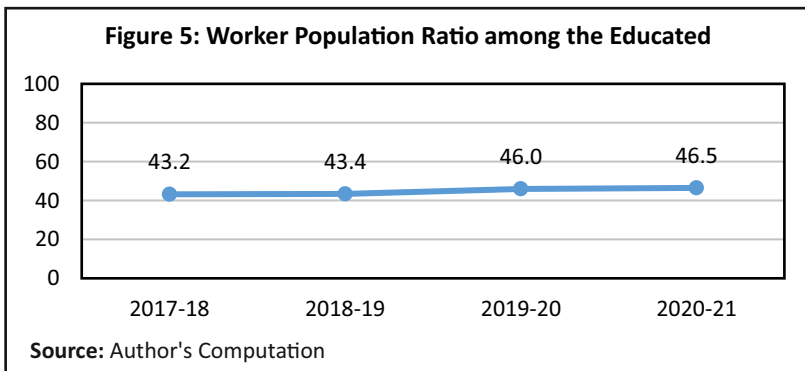
Year	0-10				90-100			
	Rural Male	Rural Female	Urban Male	Urban Female	Rural Male	Rural Female	Urban Male	Urban Female
2017-18	45.5	16.5	45.7	11.1	57.8	19.7	56.0	19.9
2018-19	45.9	16.3	44.3	11.3	58.7	21.3	56.8	19.8
2019-20	47.7	20.5	46.3	13.1	61.3	27.7	55.4	22.9
2020-21	48.4	22.5	49.3	13.9	62.3	30.6	60.2	21.3

Source: PLFS Annual Reports (2017-18 to 2020-21)⁸

⁷Ministry of Statistics and Programme Implementation. *Annual Bulletin: Periodic Labour Force Survey*, various years. Retrieved from: <https://rb.gy/lre23l>

⁸Ministry of Statistics and Programme Implementation. *Annual Bulletin: Periodic Labour Force Survey*, various years. Retrieved from: <https://rb.gy/lre23l>

gender differentials in the rural WPR in the lowest UMPCE decile 0-10 were lower than the urban WPR implying thereby that more rural women in the lowest MPCE decile are participating in economic activity as compared to their urban counterparts. It is, however, worrying that this gender differential has increased over the four years under study largely on account of the higher gender differential seen in urban areas. As regards the WPR in the highest (90-100) UMPCE decile the gender differential has shown a considerable decline in rural areas and this may be attributed to the increased rural female WPRs.



3.2 Worker Population Ratio and Education Levels

The NSSO defines educated persons ‘as those who have attained the educational level of secondary and above’ and it can be seen from Figure 5 that the WPR among the educated has increased by 3.3 percentage points during 2017-18 to 2020-21.

It would be of interest to understand the

Table 5: Education Level-Specific WPR (15 Years and Above)

Year	Not Literate	Literate-Primary	Middle School	Secondary School	Higher Secondary	Diploma/Certificate	Graduate	Post Graduate
2017-18	45.3	54.6	48.7	41.6	35.8	56.4	49.7	57.9
2018-19	45.2	56.1	50.1	41.1	36.2	60.6	49.6	59.3
2019-20	51.3	59.5	53.0	44.5	38.8	63.8	50.6	59.5
2020-21	53.6	61.7	55.5	44.9	39.7	64.2	51.8	59.4

Source: PLFS Annual Report (2017-18 to 2020-21)⁹

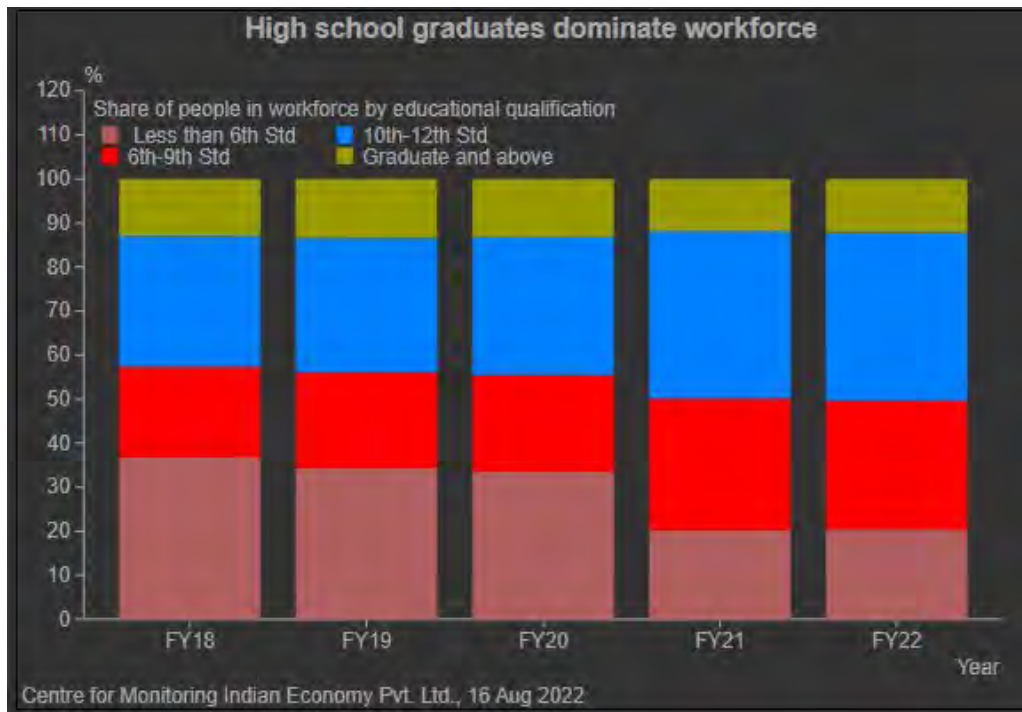
⁹Ministry of Statistics and Programme Implementation. *Annual Bulletin: Periodic Labour Force Survey*, various years. Retrieved from: <https://rb.gy/lre23l>

decomposition of the WPR by education levels and it can be noted that WPRs have been increasing and more so in the pandemic years. Table 5 depicts that among the levels classified as educated, WPRs are the highest among the diploma/certificate holders and postgraduates and lowest among those who are qualified up to the Higher Secondary levels. Interestingly, the WPRs among those levels not classified as educated i.e. education level up to middle school, WPRs are above 40

per cent indicative of the presence of a large number of unskilled workforce mostly employed in the informal sector.

The increase in WPR in 2019-20 and 2020-21 among primary and middle school level workers (accompanied by marginal increases in diploma, graduate and postgraduate workers) may be explained by the fact that youth have dropped out of education and joined the workforce on account of economic

Figure 6: Workforce by Educational Qualification



Source: Centre for Monitoring Indian Economy Pvt. Ltd. (CMIE)¹⁰

¹⁰Retrieved from: <https://rb.gy/k6o9tw>

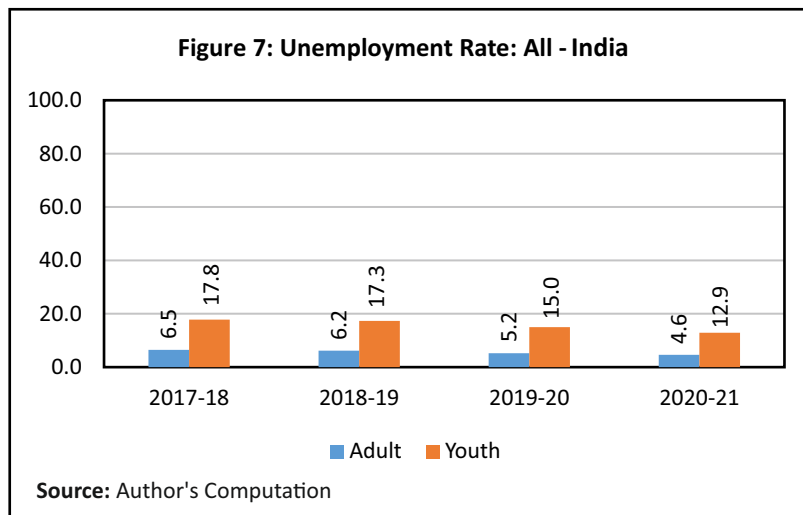
distress created by the pandemic.

Our data on WPR shows that WPR among the educated is around 51.59 per cent and it will be of interest to understand unemployment among the educated persons. This also gains traction because of a recent Centre for Monitoring Indian Economy (CMIE) study (Vyas, 2022) which has observed that youth may pursue higher education to avoid unemployment. Figure 6 shows that the workforce is dominated by those who have completed high school thereby indicating that youth may pursue higher education to avoid unemployment and hence education among youth can disguise the unemployment scenario.

The government of India (2022, pp.58-59) points out, “*While not being actively engaged in the labour force can be a choice, young people and women often remain out of the workforce because of perceptions that no jobs are available to them or because they are discouraged in their efforts to secure work*”.

4. Unemployment Rate

The unemployment rate (UR) is amongst the



key metrics of employment and is defined as the percentage of persons unemployed among the persons in the labour force. It has emerged as a major policy concern especially because of the youth unemployment rate, given the demographic profile of our country which has a large youth population. As can be seen, youth unemployment (15-29 years) is almost 3 times higher than adult (15-59 years) unemployment (Figure 7).

When unemployment is analysed by geography, then it can be observed that urban unemployment has been greater than rural unemployment and the pandemic effect on urban unemployment has been a further increase as compared to rural unemployment (Table 6). One reason for lower rural unemployment is the success of MGNREGA in providing employment in rural areas, especially during the pandemic.

Table 6: Rural and Urban Unemployment Rates

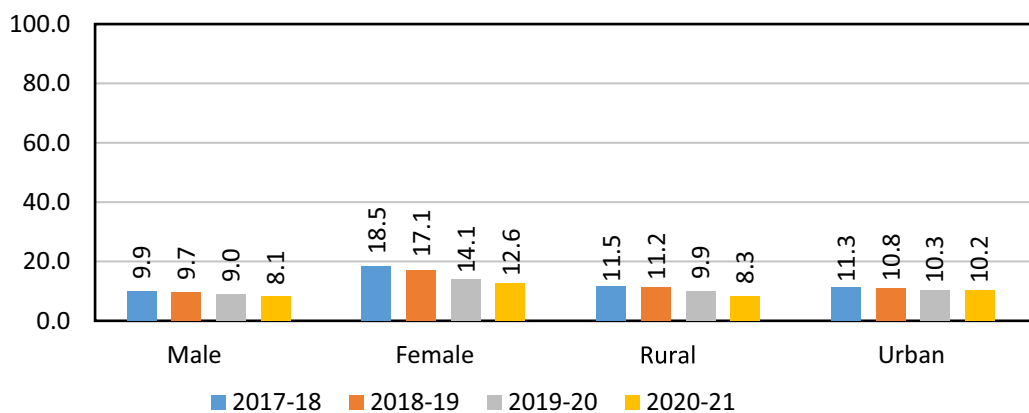
Year	Rural	Urban
2017-18	5.7	8.2
2018-19	5.4	8.0
2019-20	4.3	7.4
2020-21	3.6	7.1

Source: PLFS Annual Reports (2017-18 to 2020-21)¹¹

Data shows that in 2014-15, 4.13 crores households got work under MGNREGA which increased to 5.48 crores in 2019-20 at the start of the pandemic and in 2020-21, which witnessed deep economic distress due to the pandemic, the number of households that were accorded work under MGNREGA

increased substantially to 7.55 crores (an increase of 37.7 per cent). This has declined marginally to 7.26 crores households employed under MGNREGA in 2021-22 but the number of households given work under MGNREGA continues to be considerably higher than the pre-pandemic level, indicative perhaps of the lack of alternative sources of employment (Indian Express, 2022).

The gendered scenario on unemployment among the educated in Figure 8 shows that although unemployment rates are declining for both educated males and females, unemployment among educated females is higher than among educated males. Further, even amongst the educated unemployment

Figure 8: Unemployment among the Educated: All India, by Gender and Geography

Source: Author's Computation

¹¹Ministry of Statistics and Programme Implementation. *Annual Bulletin: Periodic Labour Force Survey*, various years. Retrieved from: <https://rb.gy/lre231>

rates are higher in urban areas as compared to rural areas but educated urban unemployment is only marginally higher unlike that observed for the overall unemployment rate.

Deloitte Insights (2022), in the study by Deloitte on the state of the labour market across the world for the period January 2020 to December 2021 highlighted that the immediate impact of the pandemic adversely affected the employment of workers in the travel, hospitality and leisure industries and the uneven impact by gender wherein in many countries, female employment and labour force participation fell more than male employment. An important finding of the study two years after the pandemic as demand for workers continues to pick up, many countries are witnessing an increasing mismatch between the skills workers offer and those that employers need. Consequently, efforts will have to be made through policy interventions that improve geographic mobility to create more skilling/training programs suited to the requirements of the industry in order to overcome this skill gap.

As regards India, Deloitte Insights (2022) indicated that 11.7 million salaried jobs declined in the period of the study and there was at the same time an increase in small traders, wage labourers and farmers, the worst affected was the young working population in the age group 22-44 years and that labour market recovery has been fragmented across sectors with a few service sectors like IT

having done exceedingly well and accompanied by a demand supply mismatch that led to an increase in wages.

Azcona *et al.* (2022) in their study for UN Women and ILO also pointed to the uneven pandemic impact on employment and write “Men have also been impacted by the economic fallout of the pandemic, but relative declines have been larger for women” and concluded that “The true impact of the pandemic on women and the world of work therefore may not be felt for many years to come”.

Asian Development Bank (2021) in its study on the employment impact of the pandemic on South East Asia pointed out that pandemic-related mobility restrictions and workplace closures led not only to job losses but also prevented the reallocation of labour across sectors from wage employment to self-employment and formal to informal sectors and hence the displaced labour exited the labour force which resulted in an initial surge in the unemployment rates in Indonesia, Malaysia, Thailand and the Philippines and to a lesser extent in Vietnam. The study further stated that job losses only understated the full impact of the pandemic as labour market adjustments also saw reductions in working hours and at times zero working hours while still being employed and this varied across sectors and countries. Further, as economies reopened, the recovery in formal wage employment was lower than that of informal and self-employment. Also, emphasised was

the disproportionate job losses among the youth and women and the adverse effect on low and middle-skilled workers whose jobs were at risk from automation and underscored that almost 220 million young workers (15–24 years) in the region were particularly vulnerable given the short tenure on the job, tendency to earn livelihoods through unsecured informal lower-wage employment which often has limited legal rights and representation.

5. Conclusion

The paper has analysed the employment/unemployment scenario in India based on indicators such as the Labour Force Participation Rate, the Worker Population Ratio and the Unemployment Rate as also examined the WPR at different levels of monthly per capita consumption expenditure and for different education levels. Through its analysis, the paper finds that the economic distress created by the pandemic has had an impact on the employment scenario. The distress caused by the pandemic has seen an increase in the labour force participation rates for both adults and the youth although it is a concern that the youth labour force participation rate is lower than adult LFPR. Currently, the youth LFPR is 17 percentage points lower than the adult LFPR in the country in a positive as well as negative manner. The pandemic has also seen women participating in economic activity and the consequent increased female labour force participation rates observed for both adults

and youth and a decline in the gender differentials in the LFPR. The outcomes for workforce participation rates are similar to that seen for the LFPR. When the WPR was examined with regard to the monthly per capita consumption expenditure, the WPR has been higher in rural areas compared to urban areas for both the lowest and the highest decile UMPCE and the increase has been more pronounced during the pandemic years pinpointing to the economic distress in rural areas. When WPR is analysed for different education levels, there has been an increase in WPR in 2019-20 and 2020-21 among primary and middle school level workers hinting at higher drop-out of education and joining the workforce on account of economic distress created by the pandemic. The COVID-19 pandemic has increased urban unemployment and highlights the role played by MGNREGA in providing jobs in rural areas and thus lowering the rural unemployment rate. The policy challenge for India is to create employment opportunities for its large young population. The pandemic has worsened and fragmented as not all sectors had a fast recovery and a few sectors witnessed a speedy recovery. Given that Indian industry and businesses are adopting labour-saving technologies, it will be difficult to employ the country's large proportion of low and semi-skilled workers; the government will need to intervene and create massive physical and digital infrastructure to support the employment opportunities for its youth.

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Exploiting Entrepreneurial Opportunity – A Case Study on Cross Border Acquisition and Consequence

Ashwini Kumar Tewary¹ and Niraj Kumar²

Abstract

The importance of studying internationalisation by Indian firms is an interesting area of research as it has remained in its infancy state. The pursuit of opportunity in the case of internationalising firms gains prominence and contributes to global entrepreneurship. This case study-based research article analyses the successful establishment of a new venture by a leading Indian industrial group due to an opportunity created by the failure of the internationalisation strategy implemented by a fellow Indian firm. The new venture creation story establishes the importance of having the right internationalisation strategy and the need for effective implementation. The main focus of this research is to create a knowledge-based study for scholars to understand the interlinked importance of entrepreneurial strategy, leadership and venture creation.

Keywords: Internationalisation, Indian Telecom, Entrepreneur, Strategy, Venture Creation, Growth.

1. Introduction

The research by Oviatt and McDougall (2005) identifies and explains the phenomena of internationalisation in the context of new ventures. A business-oriented service firm that operates outside its own registered

country can be cited as an international enterprise (Lovelock & Yip, 1996). The research by Thite *et al.* (2016) finds that firms from emerging economies use their home-grown competitive advantages to enter foreign markets. Internationalisation according to Békés *et al.* (2021) is a strategy where enterprises focus on opportunities to earn profit from foreign operations as the world becomes a single market. It helps both in

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knowledge generation and in developing broader markets (Tallman & Lindquist, 2002). The study by Hamel and Prahalad (1985) asserts that the multinational firms that gain competitive advantage have been able to introduce their products in foreign markets. These enterprises claim advantages both in terms of opportunities via innovation and the idea to serve a large market. Their products are available in different parts of the globe. The authors define competitive advantage as the derivation obtained through a mixture of resource capability compounded with the process. Kotter and Cohen (2014) confirm that well-established firms prefer efficient operational advantages over strategic dexterity. Erel *et al.* (2012) confirm that it is imperative for successful firms to acquire weak firms as the former have learned to take advantage of the newer market and are technologically competitive by adopting the latest technology.

Tsai and Eisingerich (2010) have outlined the patterns of international strategies pursued by firms from emerging markets. The international strategies are based on the research and development and marketing intensity of the firm. These strategies can be divided into three parts, regional exporter/importer, global exporter/importer and multinational challenger. Our study is based on the Indian telecom industry and it discusses the fall-out of pursuing an international strategy. Every strategic decision has its consequences and hence we inductively

analyse the emergence of a competitor on the home turf when a leading firm, in pursuit of growth, embarks on internationalisation. India has recorded the highest growth in broadband data in the world (Indian Angel Network, 2022). Our study enriches the theory of international new ventures coined by Oviatt and McDougall (2005). It dwells on one of the features of the frameworks suggested by the authors where the firm forms an organisation through the internalisation of transactions. Kirzner (1973) submits that the environment is full of opportunities and that alert entrepreneurs spot, recognise and exploit these opportunities. The approach of internationalisation by firms shifts their focus to new pastures which creates an opportunity for other firms to enter their established domain. In our research, the domain is the Indian telecom sector. This opportunity is amplified when the internationalisation strategy is flawed and its implementation is erroneous. We attempt to answer the question, 'How do entrepreneurs establish a new venture by exploiting opportunities created by the flawed internationalisation strategy of an existing firm?'

A case study is defined by Yin (2009) as a research design that yields an in-depth analysis of an actual event. Case studies by Chandra *et al.* (2009) and Zaefarian *et al.* (2016) have been able to answer 'how' firms actually enter the new international markets which offer the potential for growth. However, this aspect of the study has been

neglected in the Indian scenario. As per Ireland *et al.* (2003) strategic entrepreneurship theory combines both opportunity-seeking (entrepreneurship) and advantage-seeking (strategic management) behaviours. Our single case study research involves only secondary data sources. The study begins with the story behind the internationalisation attempt of Bharti Airtel Limited and uncovers the strategy of Reliance Industries Limited in establishing a successful new venture. Data is collected from secondary sources. The research presents and analyses both the chronology and the financial performances of the respective firms from March 2010 to March 2022. The study further submits that erroneous planning and financial indiscipline by Bharti Airtel allowed Reliance Industries Limited a perfect opportunity that was strategically executed to establish prominence in the telecom sector.

2. Literature Review

Zahra (2005) has enriched the theory of international new ventures by critically examining the study of Oviatt and McDougall (2005). She submits that the study overlooks the role of institutional environment and economic geography in sustaining the competitive advantage. Elango and Pattnaik (2007) conducted a study on Indian firms for assessing their critical capabilities. This was done to comprehend and assess their strengths to derive a competitive advantage for international growth. The results specified that the evolving

enterprises had efficiency-based advantages. These firms were noted to have deficiencies in technical and innovative capabilities in marketing. Dhir *et al.* (2020) developed a research model for the unique analysis of the Zain Telecom purchase. This was arranged to study the post-acquisition performance. The study enhanced four dynamic concepts which catapult a firm's performance after an acquisition. The concepts are organisational learning, knowledge integration, technological capability and technology relatedness. The study advocates the use of acquisition as a successful strategy for boosting the firm capabilities and deriving a competitive edge.

Albayraktaroğlu (2020) substantiates that service businesses must focus on the idea of choosing between modes of high and low involvement. Firms that operate in international markets have to select the best mode of entry choice to embark on a new foreign market (Ravelomanana *et al.*, 2015). It is also ascertained that these factors which affect the choices are grouped into two different categories. The first is the internal factor like the cost of investment and the second is the external factor like country risk. It is to be known that the ability of the firm to embrace success or failure depends upon the strategic entry choice. This decision is taken into consideration after analysing the political, legal and environmental risks.

Past research by Gruber *et al.* (2013) and Shepherd and DeTienne (2005) submit that

entrepreneurs identify opportunities and with their prior knowledge introduce new services and products in the market. Kuratko (2020) finds that the entrepreneurial mindset recognises an opportunity amidst chaos, contradiction and confusion. Verhoef and Bijmolt (2019) confirm that combining digital technology with increased convenience and lower prices is an effective strategy. Parnell (2013) states that firms do a statistical analysis of the internal and external environment as a part of their effective strategy management to achieve growth.

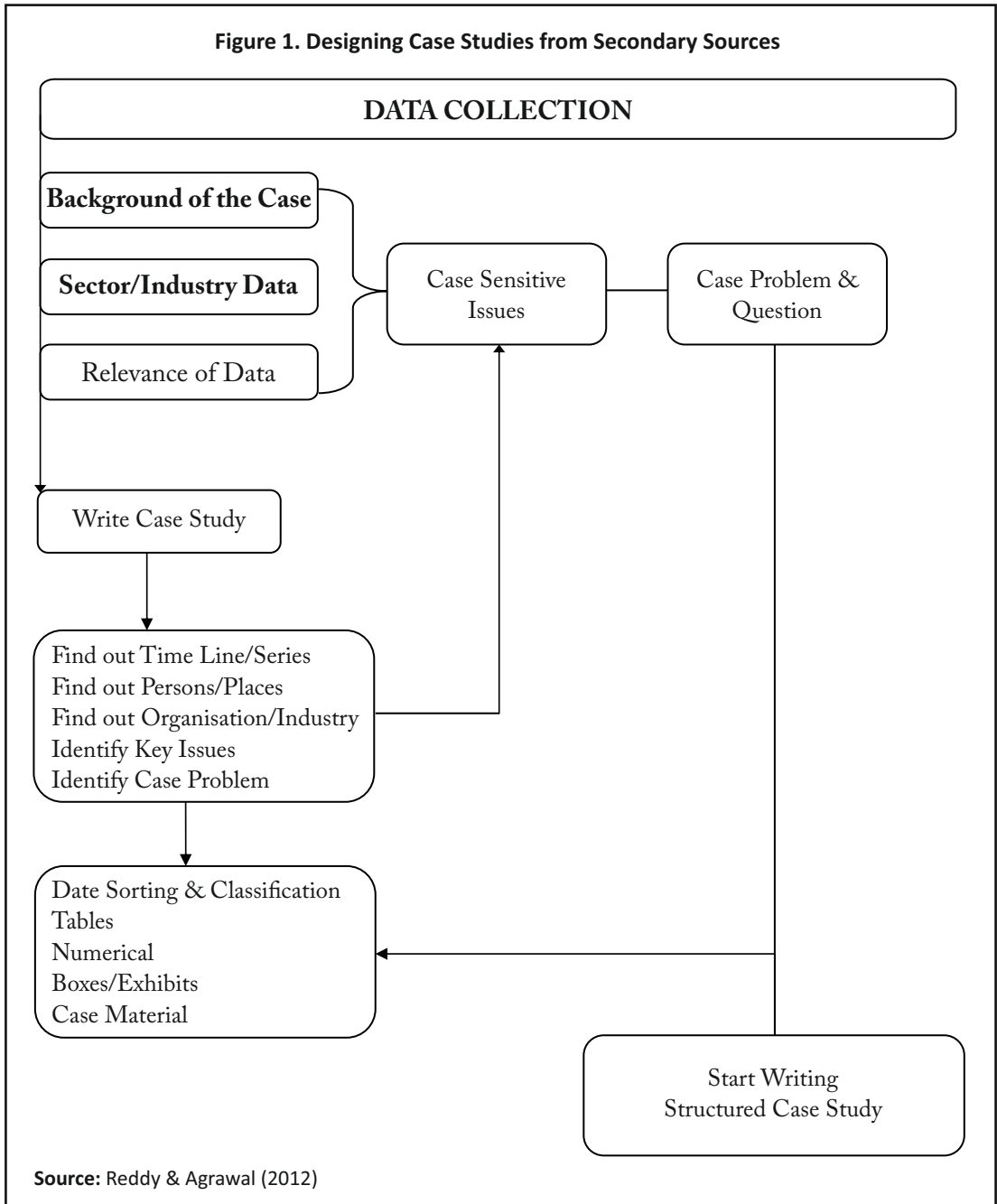
3. Methodology

Recent studies have probed the importance of learning more about the internationalisation process with the help of case studies. Ji *et al.* (2018) have examined qualitative case research studies in international entrepreneurship for the period 1989 to mid-2017 and found that the case study method is the most common research design. We decided that case study research would be the best way to conduct our study. Past research by Gaya and Smith (2016) has also justified a qualitative case study. Case study research helps in encapsulating the intricacy of the object of research with the help of an investigation (Stake, 1995). One of the pioneering studies in the development of case studies from secondary sources was conducted by Reddy and Agrawal (2012). A conceptual framework was developed in this study. It is an original study where the framework helps in writing the case studies from authenticated

and genuine secondary sources. Our study submits that this kind of study helps in teaching students by detailing a critical analysis of a subject or a phenomenon. A critical analysis is carried out where the researcher gathers the information from secondary sources. This information is unearthed by diligently looking for the finer details in company reports, industry news, websites, government-validated reports, etc. The search was conducted with the help of keywords like internationalisation, Indian telecom, growth and strategy from previously published research papers on the internationalisation of Indian companies. Similarly, papers on the growth strategy of domestic Indian companies in new areas were studied. The development of such case studies is a conceptual study that helps faculty and research scholars to teach management theories. This case study research has inductively been guided by the conceptual framework (Figure 1) developed by Reddy and Agrawal (2012).

4. The Case

Banik and Nag (2016) submit that Bharti Airtel Limited, led by Sunil Bharti Mittal, entered the African market in 2010. In this era of competition, companies are attempting to make their products and services for the global market. Whether a company should globalise is a strategic issue for entrepreneurs around the world. The charismatic Sunil Mittal had been dwelling on the African sojourn for quite a while. This research encompasses the



journey of Bharti Airtel and analyses its market entry strategy in relation to its acquisition of the African operations of Zain Telecom.

Forbes (2022) submits that Mukesh Ambani is one of the leading industrialists in India. His concern Reliance Industries Limited is a petrochemical giant and is a leading producer of petrochemical products on a global scale. When the businesses were separated between the brothers Mukesh Ambani and Anil Ambani, it was the latter who got the telecom company. This research outlines the strategy adopted by Mukesh Ambani to enter the telecom segment and sequences the series of leadership initiatives undertaken to expand his business operations. Reliance entered the telecom segment with its brand 'Jio'. It created a tremendous impact on the Indian Telecom industry. The official launch date of Reliance Jio services was December 27, 2015, Mukherjee (2019).

Before the acquisition of Zain, Bharti Airtel Limited called off the four-month-old deliberation talks of a take-over with the MTN group of South Africa. The deal price was US\$24 billion. The resultant combination of both the growing market giants would enable them to serve the lucrative regions of South Asia, Africa and the countries of the mid-east. This seemed justified and prudent on paper. Further, the Bharti-MTN equation was seen as a measure to counterbalance the might of China in the African and South

Asian markets. Justifiably, Bharti approached MTN for a deal that could be regarded as a take-over. The Indian company was surprised when MTN offered to buy Bharti instead. The negotiations broke off. Later Reliance Telecom, an Anil Dhirubhai Ambani (ADA) Group, approached MTN, but its offer was also declined. MTN, which was seen as the largest or perhaps the second-largest telecommunications company was established in 21 countries in Africa and the Middle East.

5. What Attracted Bharti Airtel to Take Over Zain Africa?

Bharti Airtel, paid a premium to take control of Zain Africa. The actual size of the business bought diversifies the risk portfolio. The total net worth of the businesses would assist their financial health. This would shield it from global business-oriented shocks. It would also assist in providing a supplementary cushion in capital investments. It is known that telecom growth has a future in Africa. It boosted the logic of expansion in Bharti Airtel. Investment in Africa provided a base. The African telecom business of the Zain group was then naturally regarded as an important acquisition for Bharti Airtel. The latter had thrived and grown in the Indian market. This market was characterised by features like low incomes and taxes. It had a large rural population, a feature similar to African nations. The acquisition would help Bharti in establishing itself as a major global player in telecommunications.

5.1 Financial Arrangement

The complete acquisition of Zain Telecom was executed by Bharti management in early 2010. Zain Africa had operations in 15 countries and the enterprise value was worth US\$10.7 billion. The operations which Bharti Airtel acquired from Zain in Africa were based in countries like Burkina Faso, Chad, the Democratic Republic of the Congo, the Republic of the Congo, Gabon, Ghana, Kenya, Madagascar, Malawi, Niger, Nigeria, Sierra Leone, Tanzania, Uganda and Zambia. The subscriber base of Zain Africa in 2010 was 42 million which generated yearly revenue of US\$3.6 billion. The market penetration opportunity was high as there was 30 per cent teledensity. As per the arrangement, an amount of US\$8.3 billion was paid upfront and an amount of US\$700 million was scheduled to be paid by Bharti after a year. The buyer also inherited the liability of an amount of US\$1.7 billion. This was the debt in the books of Zain ending December 31, 2009.

The entire amount of US\$8.3 billion paid was raised as a debt with the assistance of other banks and the State Bank of India. Standard Chartered bank arranged and advised the firm for the loan raised. It also committed a loan of US\$1.3 billion. The remaining financial institutions were Credit Agricole Corporate and Investment Bank (Credit Agricole CIB), Australia and New Zealand Banking Group Limited (ANZ), Bank of America-Merrill Lynch, Banque Nationale de Paris (BNP),

Development Bank of Singapore (DBS), Hongkong and Shanghai Banking Corporation Limited (HSBC), Sumitomo Mitsui Banking Corporation and Bank of Tokyo-Mitsubishi United Financial of Japan (UFJ). Each contributed US\$600 million. India's leading bank State Bank of India agreed to finance up to US\$1 billion loan in rupee currency terms. The rate of interest for the loan was scheduled at 195 basis points over LIBOR. The prevalent rate during the year 2010 was around 248 basis points. The financial consideration raised an interest payment of US\$200 on an annual basis. This amount was to be paid by Bharti from its operations in Africa. It was agreed that there would be a moratorium on the repayments for the initial two and a half years. This meant that the payments would begin in early 2013.

5.2 Expensive Debt Financing

Bharti Airtel agreed to pay "Zain" an enterprise value of US\$10.7 billion. The money paid was ten multiples of the enterprise value. US\$8.3 billion was recorded in cash payment and US\$700 million was transferred as per the agreement after a period of one year. A debt of US\$1.7 billion was undertaken in the books due to the above transaction. It was later known there were a lot of other losses which made the purchases very pricey. Zain Africa had an operating loss of US\$112 million in the period ending September 2009. It was noted that seven units in African countries were incurring a loss. Even Nigeria was running at a loss. There was a collective

loss in the entire operation. This was a tough task to rectify. The circumstances were challenging for India telecom to script a turnaround. It was imperative that new strategies which were focused on expansion and helped in cutting costs would be implemented. In the countries where the operations were loss-making, the concern was second in consumer choice. The amount paid by Bharti was more than what was being valued by Bharti itself. Apart from the growth rate factored in, it was seen the premium paid was very significantly high. The buyer was expecting to grow by more than 20 per cent.

This financial figure was now the highest paid in the telecom sector. One had not seen a deal of this magnitude. This expensive deal was accompanied by high financial risk. A high payout with a higher interest rate payment is never too easy to service. Agreeing to a loan of such higher interest was always fraught with risking the payment. The banks charged a higher rate as the money acquired was above the capability of Bharti. The interest rate was 195 points above London Inter-Bank Offered Rate (LIBOR). The financial liability proved a greater liquidity crisis on the earnings of Bharti. The possibility of returns was also low. Financial and industry experts opined that the price paid was very high and the asset investment was a bad strategy. Acquisition of a firm with prime assets and unrestricted entry to numerous countries vide 1 transaction is a rare phenomenon. It was noted that the average revenue per user declined by 12 per

cent within 2 years of the Bharti acquisition. The revenue was now US\$6.5 per user. During the quarter end of June 2012, there was a marked decrease of 35 per cent in the per-minute revenue. These reductions led to a fall of around 2 per cent in the margins. This was a major financial loss in the operations.

6. How Reliance Exploited the Opportunity

Reliance capitalised on the opportunity created by Bharti with its African sojourn. Mukesh Ambani saw a perfect opportunity as Bharti had leveraged its balance sheet and now had to focus on its African operations also. The strategy of Mukesh Ambani to diversify was a very thoughtful and perfectly executed strategy (Table 1). Dhar (2018) finds that by March 2018, he had invested ₹2,50,000 crores in the development of Jio. He started with the long-term evolution (LTE) technology of the fourth generation (4G).

6.1 Growth of Jio

The digital services division was growing and evolving with time. Jio services were the prime of Reliance's services plans. Every quarter the growth was impressive and it steadily gained market share. The subscriber base of Jio was now 426.2 million subscribers. The data traffic was now 5 exabytes per month. The company was clocking increasing sales in data volumes. Jio was now recording around 20 gigabytes (GB) of data consumption per month per subscriber. Jio Fiber started witnessing frantic financial growth and connected more than 400 million homes (Table 2).

Table 1: Timeline Sequence of Events

Timeline	Event Details
March 2010	Bharti Airtel buys the African operations from Zain Telecom.
May 24, 2010	Ambani brothers settle the dispute and the 'no compete' agreement is off.
May 24, 2010 to June 11, 2010	Spectrum bids for internet service end. A company called "Infotel Broadband Services" wins for all 22 circles, paying ₹12,847 crores.
June 11, 2010	Reliance announces complete stake buyout of "Infotel Broadband Services". It paid the full amount of ₹12,847 crores.
April 2012	TRAI introduced new guidelines to a unified license regime. This meant internet service providers could migrate to offer voice services too.
January 2013	Reliance paid ₹ 1,658 crores as a migration fee.
October 2013	Reliance was granted a unified license.
December 27, 2015	Reliance Jio was officially launched for its employees.

Source: Company Websites of Airtel and Reliance Industries Ltd³

Table 2: Financial Data

Period	Income (₹ Crores)	Profit (₹ Crores)	Subscriber Base (Mn)	Market Share (%)
31-03-2021	73,503	12,537	422	40
31-03-2020	54,403	5,562	387	36
31-03-2019	40,669	2,964	307	32
31-03-2018	20,158	728	186	16
31-03-2017	0.02	0.31	109	9

Source: Reliance Industries Ltd - Annual Reports⁴

³airtel.in, ril.in (Accessed on February 1, 2022)

Note: The article pertains to the case of establishment of Reliance Jio and hence, the data mentioned in Table 1 is upto 2015.

⁴<https://rb.gy/zcipmu> (Accessed on July 5, 2022)

6.2 Financial Details of Reliance Jio

The Jio mobile services for the Indian public were commercially launched on September 5, 2016. Mukesh Ambani initially introduced a scheme for free calls till December 31, 2016. It was seen that the company turned profitable in a span of lesser than 18 months of its inaugural launch. It thus grew to register a net profit of ₹ 504 crores in the October - December quarter of FY18-19. Bharti Airtel declared a consolidated profit of ₹ 306 crores for the same period. A record customer acquisition in 1 month was created by Jio. This was far better than what several foreign technological companies had done. Sen and Ghosh (2022) have stated that lower data tariffs helped in the penetration of smartphones in India.

It was compared with records and found that Bharti Airtel took 19 years to register a base of thirty-crore mobile subscribers. Jio became the second-largest telecom company in July 2019. Slowly it surpassed Vodafone Idea and became the largest Indian telecom company (Table 3).

Table 3: Subscriber Base Chart

Period	Number of Subscribers (in Crores)
September 2016	1.6
February 2017	10
March 2018	30
July 2019	33.13*

*Jio became the largest Indian telecom company

Source: Reliance Industries Limited - Annual Reports⁵

Table 4: Funds Raised by Jio

Company	Stake Bought %	Fund Amount (in ₹ Crores)
GOOGLE	7.70	33,783
QUALCOMM	0.15	730
FACEBOOK	9.90	43,573
SILVER LAKE	2.08	10,202
VISTA EQUITY	2.32	11,367
GENERAL ATLANTIC	1.34	6,598
KKR	2.32	11,367
TPG	0.93	4,546

Source: Moneycontrol.com (Accessed on July 5, 2022)

⁵<https://rb.gy/zcipmu> (Accessed on July 5, 2022)

6.3 Stake Sale in Reliance Infocom (Jio) - Monetisation

Reliance Jio platform has around 40 million subscribers. It is setting up a parallel structure to rival Amazon and Flipkart. It has sold a considerable stake in Jio (Table 4).

Finally, Intel bought a stake of 0.39 per cent for ₹1,894 crores.

Jio Platform is today valued at around ₹5 lakh crores. This took a total of 5 years to reach here (Figure 2). It is today the leading cellular provider and with its strategy has dominated

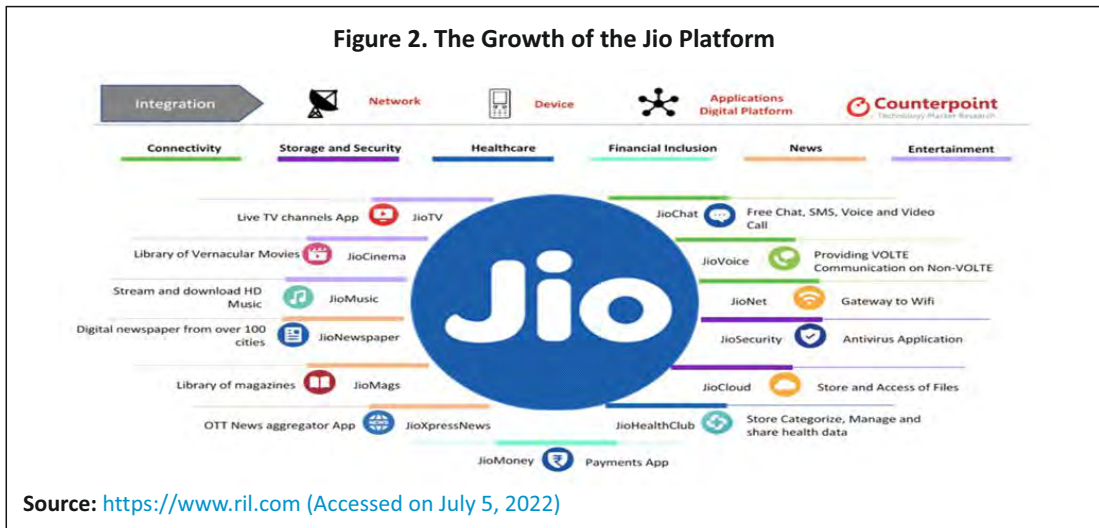


Table 5: Funds Raised by Airtel

Date	Financial Strategy	Fund Amount (in ₹ Crores)
September 2014	Africa Tower Sales and Divstment	22,500
February 2015	Sold Stake in Bharti Infratel	2,332
March 2017	Sold Stake in Bharti Infratel	7,140
August 2017	Sold Stake in Bharti Infratel	6,825
December 2017	Sold Stake in DTH business	1,762
November 2018	IPO Proceeds from Airtel Africa	10,875
May 2019	Issue of Fresh Equity in Airtel	27,097
January 2020	Largest QIP by India's Private Sector	15,000

Source: <https://rb.gy/7owcsz> (Accessed on June 10, 2022)

the Indian market as no company has ever done. The vision and mission of Mukesh Ambani to lead the Indian telecom market has turned into a reality.

7. Equity Infusion and Diversified Debt Strategies of Bharti Airtel

The company issued a perpetual bond in FY 20-21 for 7500 crores and monetised stake scale in the data centre for ₹2,437 crores. The sale proceeds (Table 5) were used for paring debt and invoking growth concerns.

8. Conclusion and Limitations

The internationalisation attempt by Bharti Airtel was a complete failure. This was admitted by the company's management (ET Bureau, 2017). Mr. Mittal conceded that had they consolidated in the Indian market they would have remained in a better position. The company lost out on the opportunity to grow in the Indian market. Financial indiscipline was the biggest reason. The loan was in US\$ and the revenue was being generated from 17 African countries with a history of political uncertainties. The revenue targets were

missed miserably. This led to a lowering of earnings and recapitalisation of the payment terms. Bharti had to sell their operations in 4 countries to reduce their debt. The operations of Africa have just managed to show decent earnings this year. The African Airtel stock, since last year has just moved up on the London Stock exchange, Bloomberg (2022). Airtel is dependent on Ericsson and Samsung to provide for future fifth-generation (5G)-enabled growth (Airtel Press Release, 2022). This will be an expensive proposition and costs will be high. The debt is still very high, Nairametrics (2022).

Reliance Industries exploited the opportunity with a precision strategy and was very successful in diversifying and establishing its presence in the telecom sector. It is the leading firm with close to 40 crore subscribers, (Press Trust of India, 2022). It has declared a good profit with an improving average revenue per user. Mukesh Ambani has led from the forefront and has displayed phenomenal leadership and entrepreneurship in diversifying a new sector (Table 6). He has not

Table 6: Comparison between Bharti and Jio

Particulars	Bharti Airtel	Reliance Jio
INCOME	₹1,16,547 crores	₹81,857 crores
NET PROFIT	₹4,255 crores	₹15,487 crores
MARKET SHARE	31.56 %	35%
EARNING PER SHARE	₹7	₹3.50
AVG REVENUE PER USER	₹178	₹168

Source: [Moneycontrol.com](https://www.moneycontrol.com) (Accessed on August 4, 2022)

only been successful but has also created a 5G solution, Massey (2022), which shall dominate the telecom market in the near future. Jio was a strategic master stroke. This resulted in higher efficiency, better revenues, cheaper technological costs and profit maximisation. The stake sale in the Jio platform has lowered the debt of Reliance Industries and has enabled the company to invest in the latest technologies for higher growth in the near future.

This study was conducted with the help of secondary sources. There is ample scope for quantitative study to evaluate the growth of Reliance Jio in the Indian telecom market. A corresponding study on the performance can also be carried out on companies like Vodafone and Idea.

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The Status of Gig and Platform Workers in India

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Abstract

The number of gig and platform workers proliferated in India and the world over the last decade. Technological advances in communication technology and the popularity of e-commerce facilitated the gig and platform model to flourish. The latest impetus came from the pandemic during the last two years and gig and platform work multiplied significantly. Contactless delivery of goods and services and flexi-staffing adopted by employers facilitated greater use of gig and platform workers. However, gig and platform work environments suffer from a lack of employer-employee relations. Because of this lacuna, the majority of labour laws do not apply to gig and platform workers. They don't have any jobs or social security. They don't have access to occupational safety and health measures. This paper delves into the possibility of analysing employment relations between gig and platform workers and also highlights the fact that such workers are deprived of protection under the prevailing labour laws.

Keywords: Gig Workers, Working Conditions, Social Security, India, Labour Rights

1. Introduction

India has a growing gig economy, with millions of workers engaging in freelance and platform-based work across various sectors, including transportation, food delivery, home services and e-commerce. The rise of gig and platform work in India can be attributed to factors such as the increasing adoption of digital technology, the growing demand for flexible work arrangements and the need for additional income.

This paper primarily deals with the work arrangement in the gig and platform economy in India. It focuses on the subject of employer-employee relations in the gig and platform economy and confronts the ambiguity associated with it. Subsequently, conditions of work and terms of employment in the gig and platform economy are being examined from an employment relation perspective. It seems work arrangement in gig and platform takes a form that denies a straightforward employer-employee relation. The immediate objective is to deny the employees the status of workers and the legal entitlements that come under the

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labour laws. This is essentially a conceptual paper which draws inputs from secondary sources as well as from extracts of recent happenings.

2. Background

According to the Economic Survey of India, it is estimated that the number of gig and platform workers in India reached 7.7 million in 2020 which is roughly 18 per cent of the total unorganised working population (Ministry of Finance, 2020). The size of this workforce is expected to grow almost three-fold by 2029-30 to about 23.5 million. A notable emerging trend is a mass increase of low-skilled location-based platform workers and high-skilled online web-based platform workers.

The employer-employee relationship in the gig economy has several unique characteristics compared to traditional employment relationships. Some of the key characteristics include independent operators, flexibility, platform control, task-based work and lack of unionisation.

Gig workers are often classified as independent operators rather than employees, which means they do not receive the same benefits and protections as traditional employees. They are responsible for their taxes, health insurance and other benefits. Gig work is often characterised by flexibility in terms of when and how workers can work (Joyce, 2020). This can be a benefit for workers who need to balance work with other

responsibilities, but it can also lead to uncertainty and instability in income. Gig workers often work for platforms that control the terms of their employment. These platforms set the pay rates, determine which jobs are available and can even terminate workers for various reasons. Work in the gig economy is often project or task-based, rather than ongoing employment. This can make it easier for workers to take on multiple projects from different employers or platforms, but it also means that income can be unpredictable (Acquier *et al.*, 2017). Many gig workers are not unionised, which can make it difficult for them to negotiate better wages, benefits and working conditions.

Overall, the employer-employee relationship in the gig economy is often characterised by greater flexibility but also greater uncertainty and a lack of traditional employment benefits and protections. It is quite apparent that the gig and platform work in India confronts certain challenges. One major issue is the lack of social protections for workers, who are often classified as independent operators/contractors rather than employees, meaning they are not entitled to benefits such as minimum wage, paid leave and health insurance. Additionally, the work can be unpredictable and inconsistent, with workers often facing low pay and limited job security.

Despite these challenges, many gig and platform workers in India have been able to leverage these opportunities to improve their financial situation and gain more control over

their work lives. Platforms such as Ola, Uber, Swiggy, Zomato and UrbanClap are some of the most popular platforms that have enabled millions of people to earn an income in the gig economy.

Overall, the gig and platform economy in India is expected to continue to grow as more people seek out flexible work arrangements and as digital technology continues to advance (Niti Aayog, 2022). However, it will be important to address the challenges faced by these workers, including social protections, job security and fair compensation, to ensure that they can fully benefit from the opportunities presented by the gig and platform economy.

3. The Legal Provision

Employer-employee relation in the gig and platform model is a very contested concept. Employers of gig workers, who prefer to call themselves aggregators, don't want to assume the responsibilities of an employer. Workers are treated as independent workers who attend to work of their own volition. However, in all practical senses, terms of work and conditions of service are determined by the so-called 'aggregators'. Existing labour laws mostly don't apply to gig and platform workers.

In the newly enacted four labour codes, gig workers found mentioned only in Social Security Code 2020. In that code, gig workers have been treated as unorganised workers and they are supposed to get registered based on

self-declaration. The central government has introduced social security schemes for gig and platform workers under the newly enacted Social Security Code 2020. Further, the newly formulated Industrial Relations Code 2020 do not consider gig and platform workers as workmen. Also, there is no mention of gig workers in the Code on Wages 2019, denying them legal rights of minimum wage too. Gig workers' numbers are constantly multiplying and keeping them outside the employer-employee relationship would pose a serious legal and rights violation.

4. The Work Model (Uberisation)

The world of work transformed significantly in the last few decades and the emergence of the gig and platform economy is one of the manifestations of such transformation. In this gig and platform structure, work is allocated remotely using web technology. Work can be availed dispersed over a larger geographical area. Driving a cab and delivering food at home are some examples of the popular gig and platform work. The digital platform becomes an interactive tool for the users and service providers.

This form of work is predominantly technology driven and allows flexibility in work organisation from the perspective of both users and service providers (ILO, 2021). The real-time exchange of information is what makes the model possible. This form of work organisation is increasingly getting popular and widespread across the work genre.

This phenomenon is often called uberisation since Uber is a pioneer organisation in this field (Nerinckx, 2016).

Digital labour platforms offer new possibilities for businesses and more employment options for workers, including those who were previously outside the labour market. Such platforms are leading to changes not just to the organisation of enterprises and work processes but in many cases to the relationship between workers and employers as well (Frenken & Schor, 2019).

Uberisation has enabled greater availability of work for a large number of job-seekers. Also, the apparent lack of contact and anonymity helped this form of a labour organisation to prosper and gain popularity during the COVID years. Uberisation uses cloud computing and algorithm to structure work organisation. The digital labour market has expanded as it is flexible and convenient for all users. It brings together providers and users over space and time. The outcome is the emergence of a flexible and innovative way of doing work. This has resulted in greater e-commerce transactions of various types dealing in both commodities and services. The remote working arrangements kept on employment possibilities even during the COVID pandemic. Those who lost jobs because of the lockdown could find livelihood opportunities through gig and platform arrangements. Employers too continued production as gig and platform channels provided an alternative.

However, there are also challenges in this type of work organisation. The most important is the establishment of employer-employee relations. Here employers do not consider them as employers and treat workers as self-employed. Employers need not invest in capital assets and formally engage workers. It seems that workers participate voluntarily by using apps. Employers control the work environment through algorithms. There are no standard payments to be made to the workers and no investment in providing capital equipment. Workers act as self-employed freelancers and do not enjoy protection under labour laws. There is no guarantee on minimum earnings or availability of work. They have no access to social security instruments. Collective bargaining and social dialogues are absent in this type of work arrangement.

To address these challenges, authorities on behalf of governments, have tried to create a regulatory framework such that employer-employee relations can be established. Elements of labour law protection in the form of occupational safety and health measures and better revenue sharing have been attempted by the authorities. Service providers in gig and platforms resisted such measures and did not recognise their role as employers. These struggles continue in most countries including India.

5. Review of Literature

There is a growing body of literature on gig

and platform workers in India. A few selected sources for a literature review have been discussed here. "The Platform Economy and the Challenges of Informal Work in India" by Berg *et al.* (2019), analyses the emergence and growth of the platform economy in India and its impact on informal workers. It highlights the challenges faced by gig workers in terms of precarious working conditions, low pay and lack of social protection (Berg *et al.*, 2019). "On-demand platforms and pricing: how platforms can impact the informal urban economy, evidence from Bengaluru, India, Work Organization" by Surie (2020) examines the digital labour market in India, focusing on the working conditions, wages and rights of gig workers. It discusses the challenges of regulating the platform economy and proposes policy measures to protect the interests of gig workers. "The Sharing Economy: The end of employment and the rise of crowd-based capitalism" by Sundararajan (2016) provides a critical analysis of the gig economy in India, highlighting the precarity of work, low wages and lack of social protection for gig workers. It argues that the gig economy in India is characterised by a process of informalisation of work and proposes policy measures to address the challenges faced by gig workers. "Job instability, precarity, informality and inequality: labour in the gig economy" by Rani and Gobel (2022) analyses the emergence and growth of the gig economy in India and its implications for employment and labour

market dynamics. It highlights the challenges of regulating the platform economy and proposes policy measures to protect the interests of gig workers. "Digital labour platforms and new forms of flexible work in developing countries: Algorithmic management of work and the workers" by Rani and Furrer (2021) provide an overview of the gig economy in India, focusing on the opportunities and challenges of the platform economy for gig workers. It discusses the policy implications of the gig economy and proposes measures to address the challenges faced by gig workers.

These studies offer insights into the emerging phenomenon of the gig economy in India and the challenges faced by gig workers in terms of precarious working conditions, low pay and lack of social protection. They also propose policy measures to address the challenges faced by gig workers and regulate the platform economy.

6. 'Uberisation': The Theoretical Underpinning

The uberisation of labour implies a type of capitalist accumulation where production responsibilities are shifted to the worker through subsumption and the identity of the 'worker' is diluted. Since the 1970s, technology has been increasingly used to create an environment where production can be decentralised and explicit employer-employee relations would be absent (Franco & Ferraz, 2019). Further, the worker takes the

responsibility of maintaining the capital equipment. The outcomes are greater use of technology, reorganisation and dispersion of production and the worker assuming the status of being self-employed.

It started with crowd work and later on transformed into the process of valorisation (Howe, 2006). The refinement of information technology over the years accentuated the process further. The work gets dispersed over space and part maintenance of capital assets is also shifted to the worker who now considers himself/herself as self-employed. The identity of workers is lost in the process and the collectivisation of the working class suffers heavily. This process is given fancy names like sharing economy, collaborative economy, on-demand economy etc.

This process gained popularity among users when Uber was launched in the city of San Francisco in the year 2008 (Slee, 2017). Uber initially roped in citizens who have driving skills and are willing to earn extra money by doing supplementary jobs. There were potential buyers of taxi services in the city who prefer such services at the doorstep. Buyers also preferred this, as services are conveniently organised and very flexible. Uber made a handsome profit by the year 2017. Such a model of work organisation was gradually used in other sectors also like delivery of goods and services at the doorsteps, delivery of food etc. Also, as this work organisation is heavily dependent on information technology and internet connectivity, the state of technical

progress played a very important role.

From the perspective of work organisation, what Uber did become the standard yardstick. It delegated the responsibility of owning and maintaining the capital equipment (in this case car availability and maintenance and other peripheral matters) to the driver/operator. Uber only had revenue sharing with the driver. All responsibilities related to the maintenance of capital goods are left to the driver. Uber appropriated the surplus value in the process. Market uncertainty to a large extent also shifted to the driver since it is the driver who is invested mostly in capital goods. There is also no social security/insurance involved here.

To make this proposition attractive Uber offered benefits to both riders and drivers initially. Uber services became popular and grew over time. More and more drivers and users are drawn into it. Uber raised funds from the market to expand its business. Subsequently, as Uber consolidated the market, the share of drivers came down (revenue sharing per kilometre or discounts offered). Further, Uber used the algorithm to induce the driver to continue when he/she is thinking of calling it a day through psychological manipulation. When a ride is about to end, the driver gets a notification for the next ride. Even when the driver is about to switch off the app, Uber sends a message that they are about to reach the day's target and that would enable them to earn incentives.

Such promptings make the drivers continue in most cases.

Further, there are also explicit controls exerted by Uber. Drivers are expected to follow certain norms (Braslucbraadm, 2016). Violation of norms set by Uber attracts penalties and suspension. Drivers do not have direct communication with passengers. Fare is determined by Uber. The performance of the driver is judged by the passengers and those are monitored by Uber. There is no explicit supervisor to monitor performance and it entails saving managerial expenses. This is an example of the valorisation of managerialism by society (Gaulejac, 2007). Such a system of work organisation nullifies the contention of Uber that workers are their 'masters'.

7. London Supreme Court Verdict

In this context of ambiguous employer-employee relations in the gig and platform economy, the Supreme Court verdict in the UK is very significant. UK Supreme Court, following a prolonged legal battle, ruled that Uber was an employer and Uber drivers were its workers. The judgement was delivered on February 19, 2021. The legal battle started in 2016 when Uber drivers approached the court to get the status of workers under the prevailing labour laws prevailing in the country. Supreme Court came out with the observation that Uber drivers are workers of Uber and entitled to receive protection under the Employment Rights Act of 1996. This Act provides rights to minimum wage, paid leave

and other benefits.

Judgement of the UK Supreme Court was based on premises that consider that Uber determines the fare and drivers have no role to play, Uber sets the terms and conditions of the contract terms which drivers and passengers can only accept, a driver's performance rating is given by the passenger and is monitored by Uber and Uber has the authority to terminate the contract with the driver. Uber monitors the entire process and retains the authority to take penal action like debarring the driver in case of cancellations beyond a threshold.

UK Supreme Court contended that Uber drivers are not self-employed and were not in a position to set the terms and conditions of the transactions. It was Uber which sets the terms of the contract. Supreme Court observed that technology and positioning were used in such a manner that Uber drivers might look like self-employed who had joined based on their own volition. However, a deeper analysis took the Supreme Court to take the view that in reality Uber drivers are workers and they should get protection under the prevailing labour laws. Supreme Court categorised the relationship between Uber and its drivers as that of subordination and dependency. Drivers lack negotiation opportunities in the way the production is organised. They are workers who are perceived as self-employed. Supreme Court saw through that apparent perception and ruled that drivers are workers (Sarkar, 2021).

8. Gig Workers in India

In India, the number of gig and platform works are on the rise during the last few years. Boston Consultancy Group (BCG) sources put the number of gig and platform workers in India in 2021 to about 15 million comprising industries such as software, sharing services and professional services etc. (Augustinraj *et al.*, 2021). The total size of the labour force is about 500 million. The number of gig workers as a proportion to total workers is still small, but this number is increasing and constitute a significant proportion of new jobs that are created.

This figure is set to rise in coming years as employment opportunities in the formal sector are few and far between. There is a vast reserve army of the labour force who are looking for jobs but can't get them. Gig and platform works are easy to access and new entrants to the labour market are increasingly availing the livelihood opportunities provided by the gig and platform economy. Before the pandemic, India was growing at a decent rate. However, that decent growth rate did not generate commensurate employment opportunities. The majority of the jobs that were created during the last two decades were mostly informal and within that gig and platform economies provided the most.

As per the BCG projection, the number of gig workers in India is set to reach 90 million in the next 8 to 10 years. According to the projection, the frontline companies would be

manufacturing, construction, retail and transport logistics. *"The gig economy will comprise both existing jobs that migrate to gig platforms, as well as new jobs that are created in the economy. The net new jobs will result from better market transparency (ability to match demand-supply), greater efficiencies in delivery (lower cost), and growing demand,"* it says.

9. Poor Working Conditions and Subsequent Protests

The gig and platform economies are characterised by poor working conditions and a lack of access to social security. Work organisation in gig and platform economies pre-empt the application of employer-employee relations and consequently application of any labour laws. Workers, who are perceived as self-employed, end up working for long hours without break. The concept of leave is conspicuous by its absence. No occupational health and safety measures are followed. Minimum return is also not applicable as there is no minimum wage or minimum availability of work. Sharing of revenue is unilaterally decided by the aggregators (employers).

Under such circumstances, there were accidents involving Uber and Ola cabs as drivers were overworked. There were grievances concerning inadequate revenue sharing and delays in transferring the shared revenue. There exists no grievance redressal mechanism in gig and platform economies. Bipartite negotiation and social dialogue are

absent. As workers lack the identity of a working class, collectivisation in the true sense is absent. Few assemblies or collectives of such workers took up these matters with the aggregators. India witnessed such demonstrations across the nation several times in recent years.

Amazon delivery boys and girls called for a strike in March 2021 in Hyderabad, Bengaluru, Pune and Delhi NCR as a protest against the reduction in commission value. In December 2021, some of the women workers of Urban Company who were providing beauty services organised a protest against the new subscription schemes which they thought is detrimental to their interests. Subsequently, Urban Company took the matter to the court. Uber and Ola's drivers lost their livelihoods during the lockdowns caused by the COVID-19 pandemic. They received no compensation. A study by the People's Union for Democratic Rights (PUDR) showed that for the majority of gig and platform workers, it was their primary and sole occupation. This is contrary to the dominant notion that gig and platform workers are freelancers and they have alternative livelihood options. All available data show that revenue sharing by the aggregators deteriorated over time across sectors even before the pandemic. Following COVID-19, situations became worse. There are bits and pieces of evidence that show that when strung together earnings of gig and platform workers went down significantly post-COVID-19 pandemic.

10. Why is this Large-Scale Availability for Gig Workers in India?

One question that comes to mind that why there are so many job-seekers who opt for gig and platform works. The work environment is not decent, returns are low, social security does not exist, occupational safety and health measures are absent. Despite these lacunae, more and more people are joining gig and platform works. The reason behind this is the severe crisis of creating meaningful job opportunities in general. India's occupational distribution did not keep pace with the sectoral distribution of national income. Workers released from the primary sector could not be absorbed in the secondary sector proportionately. The majority of such absorptions were through informal arrangements. Thus, there exists a huge reserve of the labour force who are available for work but not getting meaningful work opportunities. Mostly, this segment of the population is taking up the gig and platform works.

A close examination of the sectoral distribution of income shows that approximately 14 per cent of the GDP originated from the primary sector, 25 per cent from the industrial sector and 61 per cent from the services sector. This is depicted in the following Table 1.

The occupational distribution (represented in Table 2) brings out the fact that the primary sector is still the dominant sector when it

Table 1: Sectoral Distribution of India's GDP at Factor Cost (2011-12 Prices) (%)

Sector	1960-61	1990-91	2000-01	2010-11	2020-21
Primary	51.0	33.0	25.0	17.0	14.0
Secondary	18.0	24.0	24.0	24.5	25.0
Tertiary	31.0	43.0	51.0	58.5	61.0

Source: Economic Survey 2019-20

Table 2: Occupational Distribution (%) Over Time

Sector	1960-61	1990-91	2000-01	2010-11	2020-21
Primary	72.0	67.5	57.0	47.0	42.0
Secondary	10.0	12.0	17.5	22.0	18.5
Tertiary	18.0	20.5	25.5	31.0	39.5

Source: Economic Survey 2019-20

comes to engaging the labour force.

From the above two Tables, it can be seen that occupational distribution could not keep pace with that of sectoral distribution. Over time, the contribution of the primary sector fell but the majority of the labour force is still stuck in the primary sector. Secondary and service sectors are much more productive but those failed to absorb surplus workers released from the primary sector. The outcome is the availability of a huge reserve army of the labour force waiting in the wings to get absorbed in meaningful livelihood opportunities.

India's development trajectory followed the

Clerk-Fisher hypothesis (1935) as the contribution from the primary sector gradually fell over the years and that of secondary and tertiary sectors increased. However, occupational distribution did not change in the same direction. 42 per cent labour force is engaged in the primary sector whereas it is contributing only 14 per cent of the GDP. The primary sector is still the dominant sector in terms of providing job opportunities. The primary sector suffers from declining labour productivity as it engages more labour than warranted. Surplus labour from the primary sector is looking for an outlet in the non-farm sector. They are

desperate to leave agriculture and get absorbed into secondary and tertiary sectors. So far, such absorptions were through informal work arrangements. This has caused a rise in informality in the labour market.

A significant part of these workers adds to the pool of ever-increasing gig workers in India. In absence of meaningful livelihood opportunities in the manufacturing and service sector, job-seekers in the labour market and those released from agriculture end up as gig workers as entry into such market is easy.

11. Gig Workers in New Labour Codes

The term Gig/Platform workers are mentioned only in Social Security Code 2020. Gig workers did not get mentioned in three other newly enacted labour codes. There is no mention of gig workers in the Code on Wages 2019. That implies that gig workers are outside the protective coverage of minimum wages. They don't have legal recourse if wages are not paid within the stipulated time frame. Gig workers are not legally entitled to bonuses. Gender parity in wage payment is also not guaranteed under the Code of Wages 2019 (Sarkar, 2020).

There is no mention of gig workers in the Industrial Relations Code 2020. Such exclusion is very important as it denies the industry status to gig workers and negates employer-employee relations. In absence of this, gig workers are unable to raise disputes collectively. They even can't approach conciliation authorities in case of

termination/dismissal of an individual gig worker. Gig workers lack the identity of the 'workers' because of such exclusion within the industrial framework. They are vulnerable to unfair labour practices by employers/aggregators.

Similarly, gig workers did not get any mention in the newly enacted Occupational Health Safety and Working Conditions Code 2020. This implies gig workers are not included within the legal OSH framework. 13 existing occupation-centric labour laws are getting merged within OSHWC Code 2020 but gig workers are left outside the applicability of this new Code (Sarkar, 2020). Occupational safety and health are part of the fundamental rights of any worker but gig workers are kept outside the protective legal eco-system. Gig workers are frequently asked to work in a hostile environment and tasks are conceptualised in manners that are detrimental to the physical and mental well-being of the workers. For example, Ola and Uber's drivers are made to work long hours (sometimes up to 18 hours at a stretch) compromising basic health and safety. Drivers are so fatigued that there are instances where they fell asleep while driving and resulting in a fatal accident. Food delivery gig workers of Zomato and Swiggy also encounter lots of occupational hazards like working in harsh and extreme weather and meeting very tight time schedules. However, in legal terms, no safeguards are available for gig workers. It will be not so in the coming days too.

The only labour code where gig workers found mentioned is Social Security Code 2020. Here gig workers are treated as unorganised workers. Gig workers are to register in the e-Shram portal provided by the central government based on self-declaration. Once they self-register in the portal, they would be treated as beneficiaries of social security schemes. The central government is to formulate social security schemes for gig workers under the newly enacted Social Security Code 2020. Gig workers continue to remain outside the purview of institutional social security like provident funds, gratuity, maternity benefits etc. (Sarkar, 2021).

12. Impact of UK Supreme Court Verdict

After a prolonged legal battle dating back to 2016, on February 19, 2021, Uber London lost its final appeal when the British Supreme Court ruled that Uber drivers are to be classified as 'workers' and not as 'self-employed' individuals. British Supreme Court held that the group of Uber drivers who had applied to the court were "workers" under the Employment Rights Act 1996. This implies that Uber drivers are now entitled to minimum wage, paid leave and other legal entitlements in the same way as their employed counterparts (Dix, 2021).

Even though it only concerns the drivers involved in the 2016 case, this judgement has set an important precedent that could affect the working entitlements and conditions of other gig and platform workers across the globe.

The UK Supreme Court while delivering the judgement, considered that Uber sets the fares for each ride that the drivers carry out and the drivers are not permitted to set their own prices as they would if they were self-employed, Uber determined the contract terms and the drivers had no say in this respect; the driver can only accept the terms and conditions. A driver's performance rating is monitored by Uber, where Uber has the capacity to terminate the working relationship if this is not to their satisfaction and if the driver does not improve following repeated warnings – here the Court observed that this is a classic form of subordination that is a characteristic of an employment relationship. Also, Uber monitors the requests that each driver receives and may penalise the drivers if they cancel too many rides.

The court held that the question about whether or not the drivers were "workers" was not to be associated with the contract between Uber and its drivers. Rather it is important to understand the purposes behind the protective labour legislation, namely, the Employment Rights Act 1996. The purpose of the legislation was to protect vulnerable workers from exploitation by granting them certain rights. If Uber's argument was accepted, it would be allowed 'to determine for itself whether or not the legislation designed to protect workers will apply to its drivers.' Allowing Uber to exempt its drivers from statutory rights, conferred by Parliament, would seriously undermine the meaning and efficacy of the legislation.

This UK Supreme Court verdict on Uber drivers can also have significant repercussions in India. Gig and platform workers have been demonstrated in various cities across sectors. Matters are being taken to the courts. Judiciary has taken up the issues in a few instances. Certainly, the UK Supreme Court verdict on Uber drivers is going to have an impact on these ongoing judicial proceedings.

The Uber verdict demonstrated that it was possible to establish employer-employee relations in the gig and platform economy. That judgement showed that Uber could be held accountable as an 'employer' and Uber drivers are its 'workers'. The same principle applies in India too. Gig and platform economy used technology to mystify the employer-employee relation and the UK Supreme Court verdict untangled the labyrinth of such mystification. There are enough solid reasons to believe that Indian Courts would apply similar criteria as gig and platform models follow a similar pattern across nations. In the gig and platform economy, employers would find it increasingly difficult to hide behind the veil of technology to deny workers their identity and statutory labour rights.

13. Managerial Implications

The gig and platform economies are based on sophisticated information technology. The question that is of paramount importance for policymakers is whether technology results in more jobs or will disrupt the already fragile

nature of the employment scenario in India. Data shows that the wage share in the net value added has shown a steady decline while the share of profits has gone up. What would be the impact of modern information technology on the labour market is not very clear. New and emerging technologies that include artificial intelligence, robotics and big data are becoming important in the world of work by redefining or blurring the concept of employer-employee relations. Labour organisations in the gig and platform work essentially blur the employer-employee relation.

More and more employment relations are changing to resemble gig and platform work. Labour laws do not even apply in such a context. A large number of workers are getting adversely affected by the terms of employment and conditions of work in the gig and platform economy. Unpredictable work schedules, long working hours and harsh working conditions are some of the features of gig and platform work. Labour market policies, which regulate and identify the employer-employee relation have not kept pace with the changes in the world of work that are highly influenced by technology. A large number of workers cutting across places of origin are negatively affected by these important changes in the world of work.

Changes are unlikely to be uniform across sectors and different categories of workers such as gender, skill level etc. Inequality is a

huge concern under such circumstances as technology is being used to accumulate profits in fewer hands. Access to technology and finance are the determining factors in shaping labour market institutions and the subsequent concentration of capital in a few big players. And another important question here is how long this would be sustainable in the long run.

14. Conclusions

The gig and platform economy are flourishing, as is the number of gig and platform workers in India and abroad. The work organisation camouflages employer-employee relations and as a result, workers lose their identity and labour rights. This form of engaging people suits employers, who love to call themselves aggregators, as they can avoid obligations as an employer and at the same time shift certain responsibilities to so-called self-employed partners. Present labour market dynamics in India based on neo-classical economic principles have provided further fillip to the reorganisation of the production structure. The gig and platform economies are getting increasingly big, diverse and heterogeneous.

However, the lack of identity and workers' rights inherent in gig and platform work organisations raises certain important questions. Gig and platform workers don't have access to the protection of labour laws and institutional social security. They usually work for long hours without any guarantee of earning even the minimum wage. Terms of

employment and conditions of work are harsh and exploitative. There is an urgent need to reclaim the employer-employee relation in the gig and platform economy as their number is increasing over time. Fissures in the labour market can easily be seen and recent demonstrations across sectors call for an intervention by the State. In this context, the recent UK Supreme Court verdict can serve as a useful guide. Gig and platform workers should be included within the ambit of existing protective labour legislation. Basic international labour standards must be followed.

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