

Last-Mile Heroes: Insights into gig work in the transport and logistics industry in India

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Who are gig workers?

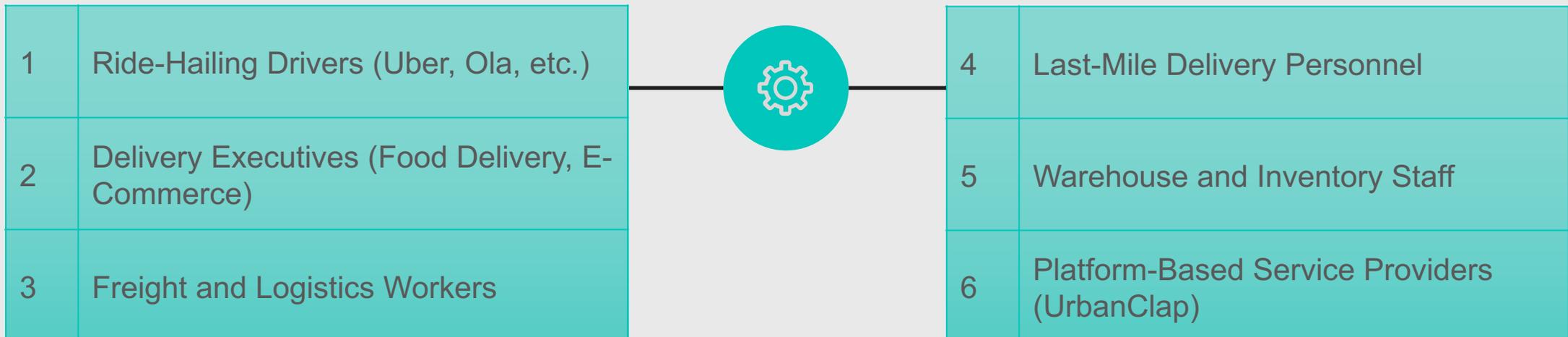
- A gig worker is an individual who engages in short-term, flexible jobs, typically as a freelancer, consultant, or independent contractor
- Unlike traditional employees bound to a single employer, gig workers operate in the gig economy, taking on various projects from different clients, often facilitated through online platforms
- These workers choose job flexibility over stability and benefits, allowing them to work on a project-by-project basis and adapt to changing demands



Size of the Gig Worker Segment:

- The gig worker segment in India has grown significantly over the past decade. As of recent estimates, there are approximately **15-20 million gig workers** across various sectors, including transport and logistics
- This number includes drivers, delivery executives, warehouse workers, and other gig-based roles within the industry

Sub-Segments of Gig Workers in Transport and Logistics



01

Timely Delivery

- **Job:** Ensuring that packages, food orders or goods reach their destinations promptly
- **Challenges:** Navigating traffic, finding optimal routes and meeting delivery time windows

02

Route Optimization

- **Job:** Efficiently navigating through city streets to minimize delivery time and fuel consumption
- **Challenges:** Balancing speed with safety considering road conditions and adapting to real-time changes like traffic and weather

03

Maximize Earnings

- **Job:** Gig workers look to maximize their earnings by juggling between multiple jobs, completing multiple orders, minimizing vehicle maintenance and running costs etc.
- **Challenges:** Juggling multiple orders, adjusting to peak hours, and handling unforeseen delays

1. Food delivery platforms

Food delivery platforms like Swiggy and Zomato rely heavily on gig workers for timely food delivery



2. E-commerce Platforms

Gig workers handle last-mile delivery for online orders for e-commerce platforms like Flipkart and Amazon

3. Logistics Companies

Logistics companies like Delhivery and EcomExpress employ gig workers for package delivery



Value Proposition

1. Flexibility

Gig work allows workers to choose their preferred hours and locations

2. Income Potential

Gig workers can earn based on the volume of work they handle

3. Digital Literacy and Technology Adoption

Familiarity with mobile apps, route optimization, and real-time tracking improves efficiency and customer satisfaction

Recent Trends

1. Hyperlocal focus

E-commerce platforms are increasingly targeting tier-2 and tier-3 cities, where gig workers play a crucial role in fulfilling orders

2. Electric Fleet

More and more companies are transitioning to electric scooters and bikes for last-mile delivery, promoting sustainability

3. Micro-Fleet operators

Innovations like BLive empower gig workers to become entrepreneurs by owning and operating small fleets of electric vehicles



Influx of young workforce

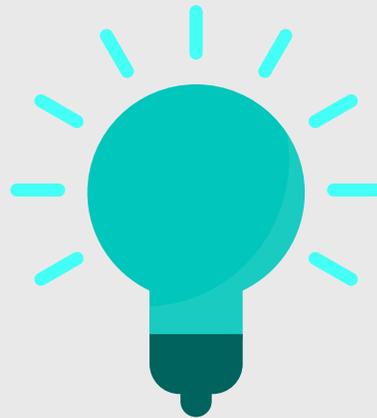
This shift responds to high unemployment rate and jobless growth challenges, pushing young workers towards the gig economy for escape and empowerment



Increased emphasis on sustainability

Companies will adopt more sustainable approaches to increase profitability and adhere to regulations

e.g: EV fleet, multiple delivery trips



Artificial Intelligence

AI can be incorporated to perform tasks such as route optimization, demand forecasting, chatbots and customer support etc. to reduce workload on gig workers and improve customer experience



Generative AI and Robotics

Robots can handle repetitive tasks like sorting, packing, and inventory management. Emerging technologies like delivery drones can improve last-mile logistics. This frees up gig workers for more complex responsibilities.



Sustainability and Environmental Impact

1. **Electric Vehicles (EVs):** Not only does EVs reduce the carbon footprint, but it also aligns with global environmental goals
2. **Eco-Friendly Packaging:** Encourage the use of recyclable or biodegradable packaging materials. Highlight this as a unique selling point (USP) to attract environmentally conscious gig workers and customers



Efficient Routing Algorithms

1. **Smart Route Optimization:** Develop robust algorithms that optimize delivery routes
2. **Dynamic Route Adjustments:** Provide gig workers with real-time route adjustments based on traffic congestion or unexpected road closures. This proactive approach enhances their efficiency



Worker Well-Being and Safety

1. **Safety Training:** Cover aspects like safe driving practices, handling difficult situations, and first aid
2. **Emergency Support:** Gig workers should feel supported and know that help is readily available if needed



Transparent Earnings and Incentives

1. **Clear Earnings Breakdown:** Make earnings transparent. Show gig workers how their pay is calculated, including base pay, bonuses, and incentives
2. **Performance-Based Bonuses:** Reward exceptional performance. For instance, offer bonuses for maintaining a high delivery success rate or receiving positive customer feedback



Electric Vehicle Fleet Management

- Create a user-friendly platform where gig workers can access and manage electric vehicles.
- This platform should allow them to:
 - View Availability
 - Reserve Vehicles
 - Track Usage
 - Report Issues

Route Optimization Tools

- Develop an algorithm that calculates the most efficient delivery route based on factors like traffic, distance, and delivery windows.
- Features to include:
 - Multi-Stop Routing
 - Real-Time Updates
 - Time Windows

Customer input and feedback

- A user centric approach will ensure success of the product
- We'll should analyse the pain points of the gig workers and try do ensure that the product addresses it
- We have to adapt, refine, and enhance your product based on real-world usage and evolving needs

Thank you!

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