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HR Retention Policies in the Gig Economy: An Empirical Study of Zomato Delivery Partners in Delhi NCR

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***Abstract* – Purpose The gig economy has reshaped urban employment in India, but the openness that makes platform work attractive also drives high workforce turnover. This study examines how three human resource (HR) retention strategies — incentives, insurance and safety benefits, and flexibility in working hours — relate to the commitment and work frequency of food-delivery partners, using Zomato as the focal case. Design and methodology A descriptive research design was adopted. Primary data were collected through a structured, closed-ended questionnaire of fifteen items administered to 100 Zomato delivery partners across urban and semi-urban areas of Delhi NCR, selected by convenience sampling. Responses were analysed using percentage (frequency-distribution) analysis and presented through tables and charts. Findings Flexibility was the most valued and most consistently experienced benefit, with 75% of partners reporting high or moderate flexibility; 70% reported insurance coverage, and 65% were satisfied with incentives. A 65% commitment rate and 70% overall satisfaction indicate that the retention framework is moderately effective but incomplete: a 30% insurance gap and dissatisfaction with earnings among a significant minority remain material attrition risks. All three hypotheses — that incentives, insurance, and flexibility each strengthen commitment, work frequency, and retention respectively — were supported by the descriptive evidence. Implications The study offers platform managers an evidence-based, segmented retention agenda and contributes India-specific, firm-level evidence to the gig-work literature. Because the sample is small and non-representative, the findings are indicative rather than generalisable.**

Keywords - **gig economy; employee retention, delivery partners, incentives, work flexibility, algorithmic management, Zomato**

I. INTRODUCTION

The gig economy has changed the shape of urban employment in India. Digital platforms now mediate work that was once organised through firms and fixed contracts, creating flexible earning opportunities for millions of workers while unsettling long-standing assumptions about job security, benefits, and organisational attachment. Food delivery is among the most visible expressions of this shift. For a platform such as Zomato, delivery partners are the operational backbone of the business: they convert a digital order into a physical delivery, and their reliability, punctuality, and conduct largely determine the customer experience on which the platform competes (Kotler & Keller, 2016).

The feature that makes platform work attractive — its openness and flexibility — is also the source of its most persistent management problem: high turnover. Because delivery partners are engaged as independent contractors rather than employees, they face few exit costs and can move between platforms in response to small differences in incentives or working conditions. Company disclosures indicate that Zomato onboards on the order of 1.5 to 2 lakh new riders each month, which implies that a large share of the active fleet is continuously being replaced (Eternal Limited, 2024). Continuous recruitment and onboarding raise costs, dilute service consistency as new riders learn routes and protocols, and hand experienced partners to competitors.

Competitive intensity compounds the problem. Swiggy, Zepto, and other platforms recruit from the same pool of workers and adjust incentives to attract experienced riders, so any single platform's retention advantage can be quickly matched. At the same time, the structural features of gig work — variable earnings, limited traditional benefits, and the psychological distance created by contractor status — mean that delivery partners may not develop the loyalty that full-time employees build over time. Platform managers therefore face a genuine tension: how to build enough commitment to keep operations stable without absorbing the costs of conventional employment.

This study addresses that tension by examining which HR retention strategies most effectively build delivery-partner commitment, how demographic and locational factors shape their effectiveness, and what platforms might do to reduce structural attrition. Three retention levers are examined: incentives (financial and non-financial rewards), insurance and safety benefits (protection against the occupational hazards of road-based delivery), and flexibility in working hours (the freedom to choose when, where, and how much to work). Commitment and work frequency serve as the primary outcomes, with age and location treated as moderating factors.

The paper proceeds as follows. Section 2 reviews the literature on platform work, algorithmic management, and retention in gig contexts. Section 3 sets out the research design, variables, hypotheses, and methods. Section 4 presents the survey findings and the hypothesis tests. Section 5 discusses the results in relation to prior research and introduces an integrated retention model, and Sections 6 to 8 set out the implications, limitations, and conclusions.

II. REVIEW OF LITERATURE

1. Platform Work and the Gig Economy

Scholarship on the gig economy has grown rapidly as platform work has spread across sectors and economies. Vallas and Schor (2020) describe platforms as organisations that exercise substantial control over work while formally disclaiming the responsibilities of an employer, producing a hybrid arrangement that fits neither the standard employment model nor genuine self-employment. Kuhn and Maleki (2017) capture the same ambiguity in their account of platform workers as "micro-entrepreneurs, dependent contractors, and instaserfs," a spectrum that reflects wide variation in autonomy and dependence. Wood, Graham, Lehdonvirta, and Hjorth (2019) show that platform work can offer real autonomy and flexibility while simultaneously exposing workers to low pay, insecurity, and the discipline of rating systems — a duality they summarise as "good gig, bad gig."

2. Algorithmic Management and Worker Autonomy

A distinctive feature of platform work is that management is exercised largely through software. Duggan, Sherman, Carbery, and McDonnell (2020) argue that algorithmic management — automated allocation, monitoring, and evaluation of work — reconfigures the employment relationship and raises new questions for HRM, because the "manager" is a system rather than a person. Ravenelle (2019) finds that workers value the autonomy platforms advertise, yet often experience control that is tighter than the rhetoric of independence suggests. Kost, Fieseler, and Wong (2020) question whether the "boundaryless" careers associated with gig work deliver the self-direction they promise, given workers' dependence on platform algorithms and ratings. Together, this literature frames algorithmic management as a double-edged influence on retention: it can enable flexibility, but it can also generate pressure that undermines commitment.

3. Retention Strategies in Gig Work: Incentives, Insurance, and Flexibility

Research on retention in gig contexts increasingly focuses on the levers platforms actually control. On incentives, Bai and Meng (2022) provide field-experimental evidence that monetary rewards, and the transparency with which they are communicated, improve gig-worker retention and performance, particularly for lower-income workers. On social protection, Jain and Pankaj (2022) and Mehta (2019) document the decent-work and social-security deficits that characterise Indian platform work, arguing that access to insurance and benefits is central to worker welfare and, by extension, to stability. Established HRM scholarship reinforces the point that reward systems and employee security are core determinants of retention (Armstrong, 2014). On flexibility, the autonomy literature suggests that the freedom to set one's own schedule is a primary psychological driver of satisfaction in gig work (Ravenelle, 2019), which implies that policies eroding effective flexibility would carry disproportionate retention costs.

4. The Indian Gig-Economy Context

India is among the fastest-growing gig markets in the world, and a distinct body of national evidence has emerged. Gupta, Fernandes, and Bhattacharya (2021) examine work arrangements, motivation, and challenges among Indian platform workers, highlighting the mix of opportunity and precarity that characterises the sector. Sharma and Gupta (2021) document an urban–rural divide in food-delivery gig employment, while Singh and Satija (2022) show that occupational stress materially affects the performance of delivery executives in Delhi NCR. Comparative work on Swiggy and Zomato points to intense competition for both customers and riders (Attal & Jaggarwal, 2023). Policy analyses by NITI Aayog (2022) and the NASSCOM Foundation (2022), along with the Expert Group report of the Ministry of Labour and Employment (2023) and the subsequent notification under the Code on Social Security, 2020 (Ministry of Labour and Employment, 2025), signal a policy environment that is moving toward formal recognition and social protection for gig workers. The World Economic Forum (2022) situates these developments within a broader global reshaping of work.

Despite this growth, firm-level empirical evidence on how specific retention strategies affect the commitment and work frequency of Indian delivery partners remains limited. Much of the literature is either global and conceptual or national and policy-oriented; comparatively little tests concrete retention levers against behavioural outcomes at a single platform. This study addresses that gap with primary evidence from Zomato delivery partners in Delhi NCR.

III. RESEARCH METHODOLOGY

1. Research Design

The study adopts a descriptive research design, which is appropriate for systematically documenting the characteristics of a population and the associations among variables without experimental manipulation. The aim is to describe the retention strategies Zomato deploys and to analyse their association with delivery-partner commitment and work frequency in a real organisational setting, rather than to establish causal effects.

2. Variables and Hypotheses

Three HR retention strategies are treated as independent variables: incentives (performance bonuses, surge and referral rewards, and milestone or festival incentives), insurance and safety benefits (accident, health, and related protections), and flexibility in working hours (the freedom to choose when, where, and how much to work). The dependent variables are employee commitment, measured on a five-point self-report scale and by stated intention to continue, and work frequency, measured as average deliveries completed per day. Age and location (urban versus semi-urban) are treated as moderating variables. Three hypotheses follow:

- H1. Incentives significantly and positively influence employee commitment among delivery partners.
- H2. Insurance benefits significantly and positively affect work frequency among delivery partners.
- H3. Flexibility in working hours significantly and positively influences employee retention.

3. Population, Sample, and Data Collection

The population comprises active Zomato delivery partners. Because a complete sampling frame is not publicly accessible, convenience sampling was used, and 100 delivery partners were surveyed across urban and semi-urban areas of Delhi NCR, of whom 65% worked in urban and 35% in semi-urban areas. Primary data were gathered through a structured, closed-ended questionnaire of fifteen items covering demographics, satisfaction with retention strategies, commitment, work frequency, technology use, perceptions of competition, challenges faced, and overall satisfaction. The questionnaire was administered in person and through digital distribution. Secondary material was drawn from peer-reviewed journals, industry and government reports, and company disclosures.

4. Data Analysis and Ethics

Responses were coded and analysed using percentage analysis, a descriptive technique that expresses each response category as a proportion of the sample, with results presented in frequency-distribution tables and charts. Participation was voluntary and anonymous; no personally identifiable information was recorded, and responses were used solely for research. As the study relies on percentage analysis rather than inferential statistics, its conclusions are framed as associations and indicative patterns rather than tests of statistical significance.

IV. RESULTS AND ANALYSIS

The findings below are based on primary data from 100 delivery partners and are organised around the study's variables. Percentages are reported to the nearest whole number.

1. Respondent Profile

The workforce surveyed is predominantly young, urban, and short-tenured. Three-quarters of respondents are under 35 years of age, roughly two-thirds work in urban areas, and 70% have less than twelve months of experience with their current platform (Table 1). This profile is itself a retention challenge: a workforce drawn disproportionately from mobile, early-career individuals is less likely to form deep platform attachment without deliberate and sustained HR investment.

Table 1. Respondent profile (n = 100)

Characteristic	Category	%
Age group	18–35 years	75
	36 years and above	25
Location	Urban	65
	Semi-urban	35
Work experience	Less than 12 months	70
	12 months or more	30

2. Experience of Retention Strategies

Across the three retention levers, flexibility is the most positively experienced, followed by insurance coverage and incentive satisfaction (Table 2, Figure 1). Fully 75% of partners report high or moderate flexibility, making it the most consistently valued aspect of the gig relationship. Insurance coverage reaches 70%, but the remaining 30% represent a coverage gap with direct retention implications. Incentive satisfaction stands at 65%, and satisfaction with overall earnings is lower still at 58%, indicating that financial adequacy is where the retention framework is weakest.

Table 2. Experience of HR retention strategies (n = 100)

Retention dimension	Positive response	%
Flexibility in working hours	High or moderate flexibility	75
Insurance and safety benefits	Receiving insurance coverage	70
Incentives	Satisfied or highly satisfied	65
Earnings	Satisfied with earnings	58

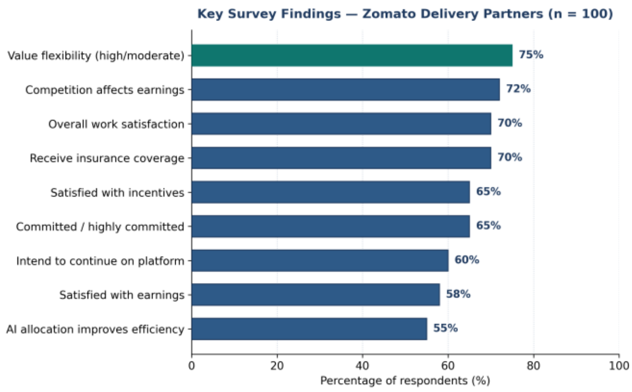

Figure 1. Key survey findings among Zomato delivery partners (n = 100).

3. Commitment and Behavioural Outcomes

The retention strategies are associated with moderate commitment and satisfaction (Table 3). Around 65% of partners describe themselves as committed or highly committed, 60% intend to continue with their current platform, and 70% report overall satisfaction with their work experience. On behaviour, 70% complete between five and fifteen deliveries per day; the 15% who complete fewer than five overlap with the segment dissatisfied with incentives, suggesting that financial dissatisfaction is associated with lower work participation.

Table 3. Commitment and behavioural outcomes (n = 100)

Indicator	Response	%
Overall satisfaction	Satisfied with work experience	70
Work frequency	5–15 deliveries per day	70
Employee commitment	Committed or highly committed	65
Intention to continue	Intend to continue on platform	60

4. External and Technological Factors

Delivery partners operate in a contested, technology-mediated environment (Table 4). Nearly three-quarters (72%) acknowledge that competition between platforms affects their earnings, confirming that retention is externally pressured and requires continuous benchmarking. Perceptions of algorithmic management are split: 55% see AI-based task allocation as improving efficiency, while 20% experience it as a source of pressure — the dual character of algorithmic management noted in the literature. Traffic problems (30%) and low incentives (25%) are the two most commonly cited challenges, the former calling for operational responses and the latter for direct HR policy.

Table 4. External and technological factors (n = 100)

Factor	Response	%
Platform competition	Affects earnings	72
AI-based task allocation	Improves efficiency	55
AI-based task allocation	Creates pressure	20
Major challenge	Traffic issues	30
Major challenge	Low incentives	25

5. Hypothesis Testing

The descriptive evidence supports all three hypotheses (Table 5). Incentive satisfaction moves in step with commitment, and low incentives are a leading challenge, supporting H1. Insurance coverage is associated with higher confidence and engagement, while the uncovered 30% represent an attrition risk, supporting H2. Flexibility draws the strongest positive response of any lever and is closely tied to the intention to continue, supporting H3. Because the analysis is descriptive, these results are read as consistent associations rather than as tests of statistical significance.

Table 5. Hypothesis testing summary

Hypothesis	Key evidence	Decision
H1: Incentives → commitment	65% incentive satisfaction aligns with 65% commitment; 25% cite low incentives as the main challenge	Supported
H2: Insurance → work frequency	70% coverage associated with higher engagement; 30% coverage gap linked to attrition risk	Supported
H3: Flexibility → retention	75% report positive flexibility (highest of all levers); associated with 60% intent to continue	Supported

V. DISCUSSION

The results present a coherent picture of a retention framework that works, but only partly. Flexibility is Zomato's strongest asset. Unlike incentives, which require meeting performance thresholds, and insurance, which requires enrolment and awareness, flexibility is intrinsic to the platform model and needs no additional action to deliver. Its standing as the most valued benefit is consistent with the autonomy literature (Ravenelle, 2019; Wood et al., 2019) and carries a clear managerial warning: any policy or algorithmic mechanism that quietly penalises partners for not working at particular times erodes the very benefit that anchors retention.

Incentives are effective but not sufficient. A 65% satisfaction rate coincides with a 65% commitment rate, yet a quarter of partners name low incentives as their principal challenge and 42% are neutral or dissatisfied with earnings. The pattern echoes Bai and Meng's (2022) finding that the design and transparency of monetary rewards matter for retention, and it locates financial adequacy as the framework's weakest point, especially for the lowest-engagement segment.

Insurance is moderately well deployed but incompletely delivered. Seventy per cent coverage is a solid base, but the uncovered 30% matter disproportionately given the documented importance of social protection for Indian platform workers (Jain & Pankaj, 2022; Mehta, 2019). Part of the shortfall is likely to reflect awareness and enrolment friction rather than deliberate exclusion, which points to communication as much as to benefit design.

The external environment shapes what any single platform can achieve. With 72% of partners reporting that competition affects their earnings, retention advantages are easily matched by rivals (Attal & Jaggarwal, 2023), and algorithmic management cuts both ways — improving efficiency for a majority while generating pressure for a substantial minority (Duggan et al., 2020; Kost et al., 2020). Age and location further condition outcomes: younger partners respond more to performance-based incentives, older partners to security, urban partners face

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heavier traffic but richer order volumes, and semi-urban partners enjoy lower earnings potential but greater practical flexibility. No single, uniform strategy can retain such a heterogeneous workforce.

Figure 2 integrates these observations into a retention model. The three levers act on commitment and satisfaction, which in turn shape retention and work frequency; age and location moderate these relationships; and the whole operates within a context of platform competition and algorithmic management.

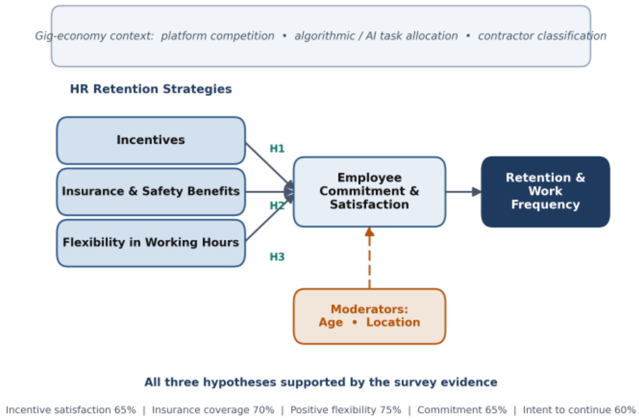

Figure 2. Proposed delivery-partner retention strategy model.

VI. IMPLICATIONS

1. Theoretical Implications

The study contributes firm-level, India-specific evidence to a literature that is still weighted toward global-conceptual and national-policy perspectives. By testing three concrete retention levers against behavioural outcomes at a single platform, it extends established HRM ideas about rewards, security, and autonomy (Armstrong, 2014) into the algorithmically managed context of gig work, and it offers an integrated model that later studies can examine with inferential methods.

2. Managerial Implications

For platform managers, the evidence points to a segmented, protect-and-strengthen agenda rather than a single fix. On incentives, the priority is financial adequacy for the dissatisfied minority: milestone-based retention bonuses tied to tenure, minimum guaranteed earnings for partners who log sustained hours, transparent in-app incentive dashboards, and peak-hour and festival supplements. On insurance and safety, the immediate task is to close the 30% coverage gap through an enrolment audit and clearer onboarding communication, alongside broader coverage and practical safety support such as training and protective equipment. On flexibility, the guiding principle is to protect genuine autonomy from implicit pressure while adding optional scheduling tools that improve predictability for both sides. Because age and location shape what partners value, these measures should be tailored to segments rather than applied uniformly, and monitored against competitors given the contested labour market.

Limitations and Future Research

Several limitations qualify these findings. The sample of 100 partners, selected by convenience in a single metropolitan region, is small and not statistically representative of Zomato's national workforce, so the results are indicative rather than generalisable. The cross-sectional design captures a single point in time, and self-reported measures of satisfaction and commitment are subject to social-desirability and recall biases. Most importantly, the analysis relies on percentage distributions rather than inferential statistics, so the hypotheses are supported in the sense of consistent association, not tested for significance. Future research could draw a larger, probability-based, multi-city and multi-platform sample; apply correlation, regression, or structural-equation methods to the individual-level data; add longitudinal follow-up to observe retention over time; and incorporate qualitative interviews to explain why particular levers matter to particular segments.

VII. CONCLUSION

Retaining delivery partners is a business-critical challenge for food-delivery platforms operating in a competitive, high-turnover labour market. This study finds that incentives, insurance, and flexibility each contribute to the commitment and work frequency of Zomato delivery partners, with flexibility the strongest asset and incentive adequacy the weakest link. A 65% commitment rate and 70% overall satisfaction show a framework that is moderately effective but leaves clear room for improvement, particularly in closing the insurance gap and addressing earnings dissatisfaction among a significant minority. Treating retention as a segmented, evidence-based programme — protecting genuine flexibility, strengthening incentive adequacy, and completing insurance coverage — offers platforms a practical route to a more stable workforce, while the study adds India-specific evidence and an integrated model to the growing literature on gig-work management.

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