



# FRONTLINE **INDEX** 2022



Empowering People  
Enabling Growth |





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## Acknowledgement

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Digital transformation across the last two years has changed the face of many enterprises in India. On a large scale, it has brought about greater efficiency, seamless operations and many more advantages in a very difficult time. The ripples of this change were felt on a smaller scale wherein frontline workers who conducted day-to-day work for enterprises are now being ushered into the advent of the gig economy. From being able to choose the work of their choice, securing financial stability and improving their skillsets, technology has made it possible for frontline and gig workers to achieve much more than they could two years ago. As enterprises build connect between the demand side and supply side in the frontline ecosystem, a shift has been seen from the age-old systematic processes towards a holistic outlook catering towards workers' well-being.

This report analyzes the current trends, highlights insights and projects future outlook on the industry and the way ahead. Based on the data we have received internally from our enterprise partners, we are creating solutions to provide companies with better hiring, upskilling and management offerings for their frontline and gig workforce. We have built this narrative with the help of inputs from governments, policymakers, and enterprises to empower frontline workers and propel success.

BetterPlace as an organization collectively believes in the engagement and upliftment of the 250+ Mn frontline workforce in India. This is our initiative to help the industry understand workforce trends and enable them to achieve workforce fulfillment to make it a better place for our frontline workers.

**Pravin Agarwala & Saurabh Tandon**  
**Founders, BetterPlace**





# Introduction

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## **A** An overview of India's Working Economy

Over the last two years, India has seen massive changes owing to the rapid digitisation of operations accelerated by the global pandemic. It is expected that by 2030 when most of the countries in the world will have a middle-aged or elderly workforce, India's workforce will comprise primarily of younger population. According to the NSS of 2011-12, almost 36% of the Indian population is less than the age of 17 and approximately 13% are between the ages of 18 and 24. According to a research on the future of the Indian workforce, more than 41% of the workforce in the age group of 18-24 is already part of the labor force and others are expected to join the workforce in the next two decades. The unprecedented yet pivotal turn of the pandemic has refocused the priorities of enterprises towards securing talented workforce to accelerate productivity and efficiency. Government data states that the Indian jobs market reached an all-time high with its YoY growth touching 6% in March 2022.

During the pandemic, it was the frontline workers that faced most of the brunt in the economy. Research suggests that almost 60% of the frontline workers were left unemployed during the first phase of the pandemic. The pandemic led these workers to return to their hometowns and find employment close to home. Now they need to be incentivised more to come back to work. As jobs came in with fresh seasonal demand, these workers took part in opportunities that were based on a short period of time, creating the rise of a gig workforce and thus, forming the **gig economy**.



↑ By 2030, no. of frontline workers is expected to rise by ~ **12%**

↑ Since 2019 demand has gone up by **4%**

↑ Since 2020 demand has gone up by **37%**

According to a report by BCG

## **B** 2022: The Year of Well-Being for the Frontline Workforce

If the pandemic has led to anything positive, it's the technological innovation and adoption. As enterprises and workers became familiar with digital changes in processes, frontline workers braved and sought out different avenues to garner employment. Enterprises started shifting from manual hiring and management to digital workforce fulfillment and management of the frontline workforce.

While formalization of the frontline workforce is in process, frontline and gig workers have largely been part of the informal sector, wherein ill-practices were prevalent and often at the expense of these workers. Formalization is moving the needle towards dignity and well-being of frontline workers. Employment of workers is seeing a shift towards a holistic approach that prioritizes workers' needs.

Workers have begun to shift towards the formal economy, seeking employment with various enterprises that offer to build a safety net to make their ends meet, provide benefits and encourage upskilling.





## **C** Overview of the Report

Every year we come out with the Frontline Index to throw light on the current state of affairs of the frontline workspace by using BetterPlace's internal data repository on workforce fulfillment, verification, benefits and upskilling.

Our goal at BetterPlace is to bridge the gap between frontline workers and enterprises by providing an end-to-end platform solution that provides well-being and dignity to the frontline workforce and serves enterprises' workforce fulfillment and management needs. We believe this year is 'The Year of Well-Being for the Frontline Workforce', where we aim to emphasize upon insights concerning both the nature of the frontline workforce and the enterprises.

This report will share data on subjects ranging from the demand, attrition, migration, income, livelihood and access to non-financial services and benefits along with upskilling trends concerning frontline workers.



# Executive Summary

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## Jobs Demand and Vacancies



**8 Mn jobs** were created in the frontline industry in FY 2022



Job Vacancies have risen in **Q2 and Q3** of FY 2022



E-commerce, Logistics & Mobility and IFM & IT have shown highest demand for frontline jobs this year



BFSI and Manufacturing to add to the jobs demand in FY 2023



Budget 2022 has proposed to add **6 Mn jobs** spanning across **14 sectors** over the next 5 yrs



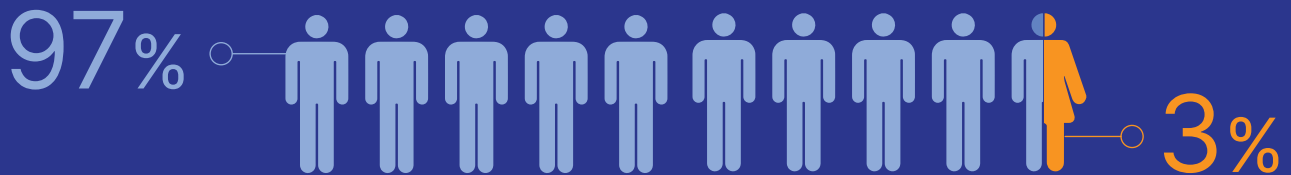
A large proportion of these vacancies are in metropolitan areas and **tier 1 cities**



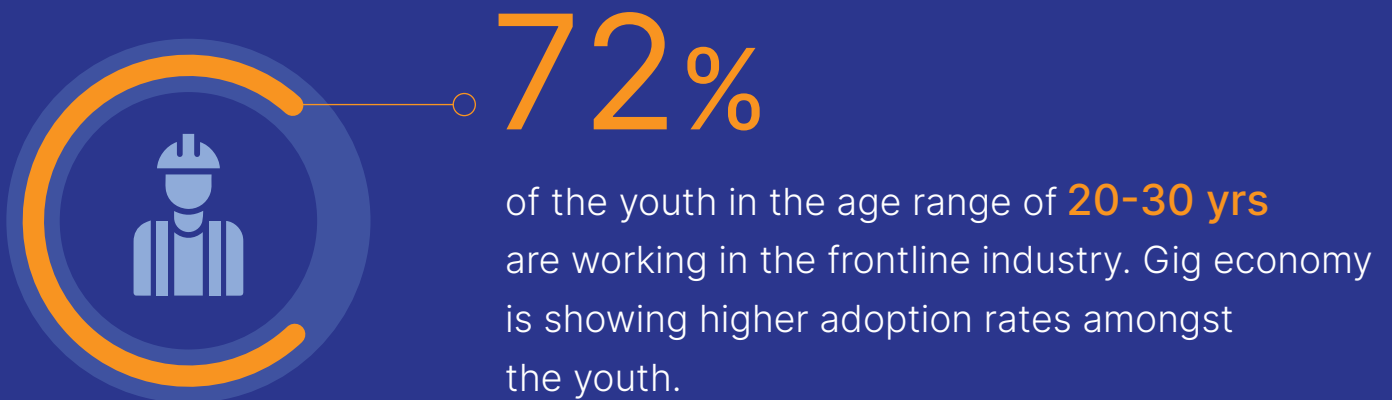


## Gender and Age Distribution

Once again, males have dominated the frontline industry



Even with low gender ratios, females have shown more participation across E-commerce, IFM & IT and Logistics & Mobility industries.



## Some of the most sought after roles are



Tele-Sales  
Executives



Field Survey  
Associates



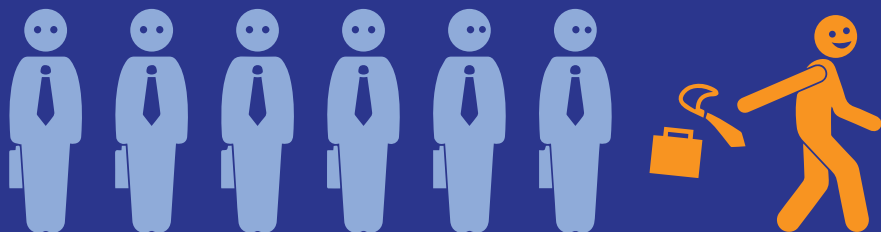
Data  
Analysts



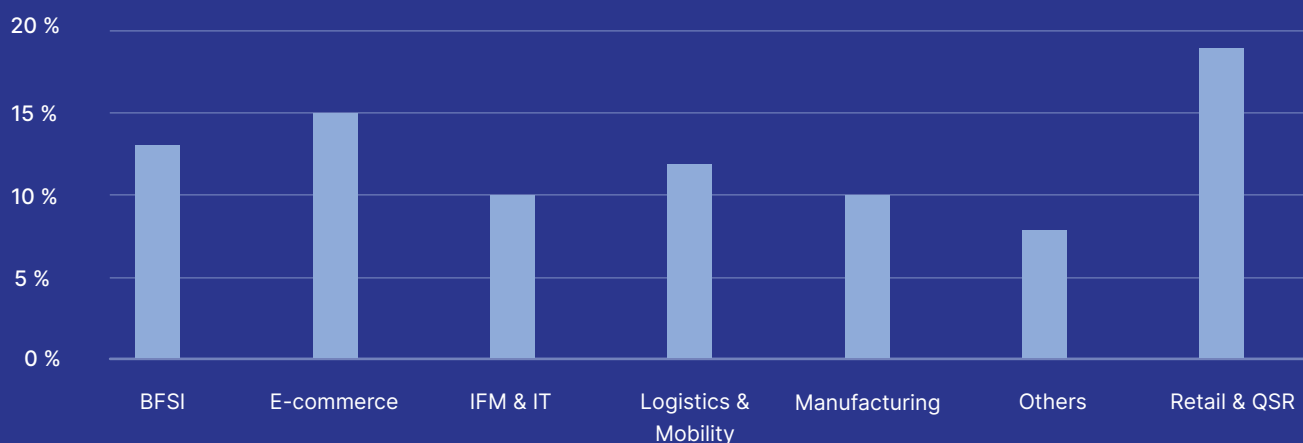
Customer  
Service



## Attrition



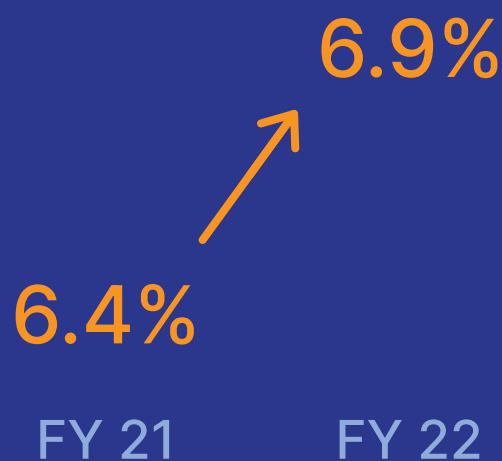
Retail & QSR has the highest overall average monthly attrition of **19%**



## Interstate Migration

The pandemic has made more workers stay in their home towns and states to work gig jobs with increased local employment opportunities.

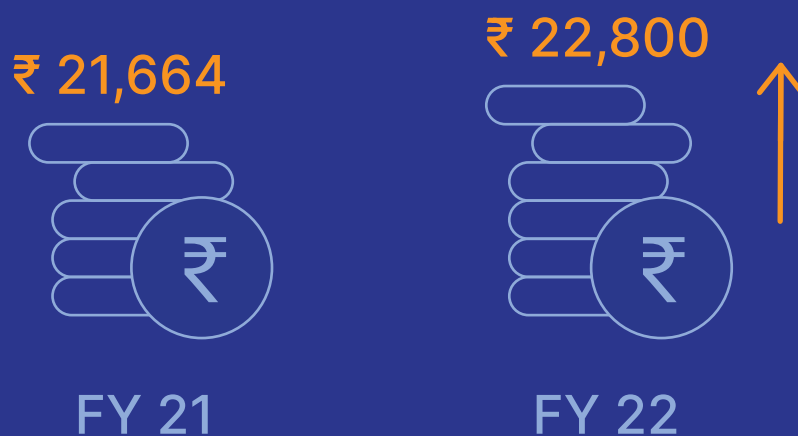
Towards the end of Q4, tier 2 and tier 3 cities have started to create more gig jobs. The concept of local employment is growing since a number of companies are starting to set up offices in these cities. This has led to reverse migration.





## Salary

Average salary of frontline workers



Our data has highlighted that Logistics & Mobility, BFSI, IFM & IT and E-commerce have reported some of the highest average monthly salaries in FY 2022. Logistics & Mobility offers the highest average monthly salary of ₹ 26,484.

## Access to Digitalization and Education



Around **67%** of workers have access to smartphones



Approximately **50%** of the workforce in this industry holds a bachelor's degree, a **4%** rise from FY 2021



## Learning & Upskilling



Employers are now more than ever concerned about their employees welfare and want to ensure learning and development



BetterPlace has **2.4 Mn** of active learners on the skilling platform, spread across more than **1,800 courses**



BetterPlace has seen the average learning minutes spent per course to be **3,432**



BetterPlace has seen **66,000** learning hours per month, with over a **95%** completion rate of courses



E-commerce, Logistics & Mobility, Manufacturing and Retail account for the highest number of skilling courses



# JOB DEMAND



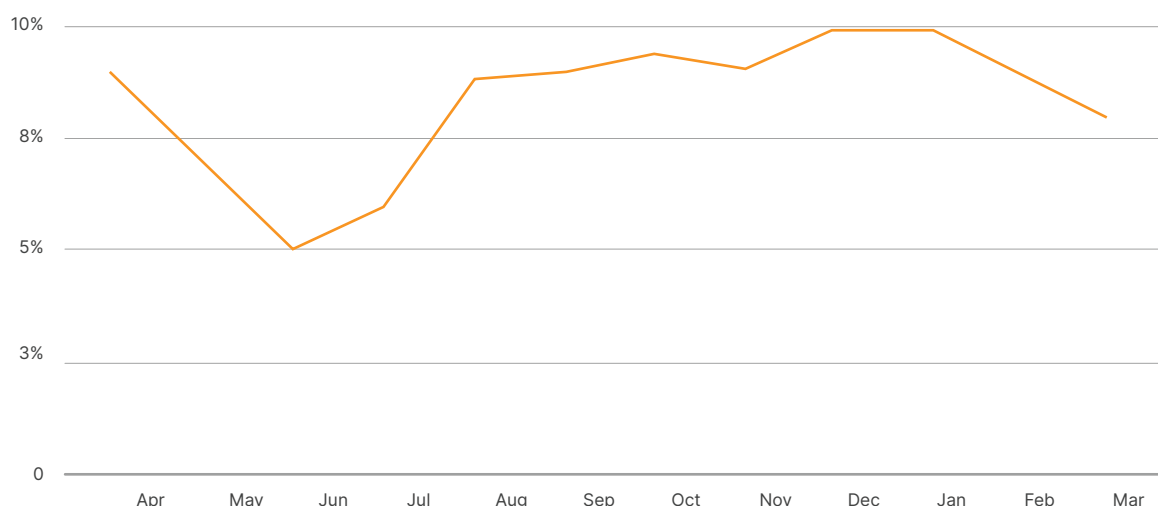


# Demand

# 8Mn

jobs created in FY 2022

## Job Vacancies (Managed Demand)



**Q2 and Q3 witnessed a sharp increase in job vacancies as the economy started to open up post the second wave**

The job vacancies recorded on BetterPlace's portal are an indicator of the jobs demand trend in FY 2022. April 2021 saw an upsurge in the job vacancies for frontline workers, while June 2021 saw a decline. This was due to the Covid second wave that hit India from April - May and the recovery path it took in June and July.

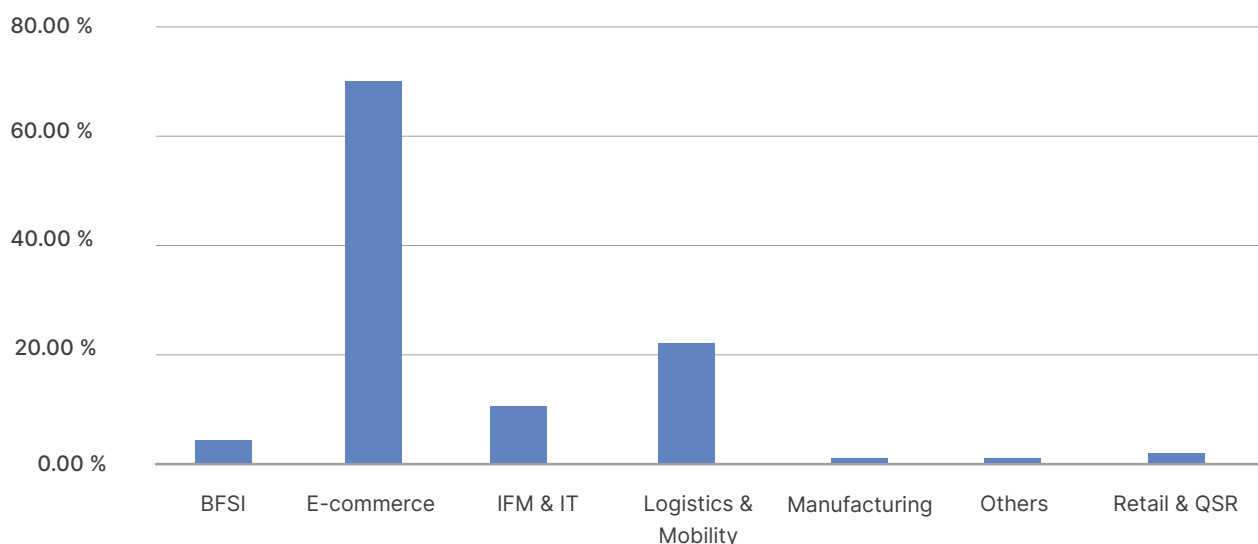
The highest vacancies were seen in December 2021 and January 2022 with a minute fall during the latter part of the Q4 which can be attributed to the scare of the third wave hitting the economy.

Q2 of FY 2022 showed a huge rise in demand. This can be attributed to increase in jobs in the delivery and retail segment due to increase in consumer buying post pandemic. Another reason



can be the sudden increase of tech-backed hiring processes in the second half of FY2022. HRTech platforms that provide end-to-end workforce management solutions are on the rise. The pandemic has exacerbated the adoption of digitised processes by employers.

## Industry-wise Demand



These structural shifts and changes in hiring patterns across industries are largely due to the pandemic and the wide digital adoption.

There is growth in jobs like



Delivery  
Executive



Driver



Data Entry/  
Back Office



BPO/  
Customer Care



Field Sales



Business  
Development



Retail/  
Counter Sales

Since FY 2020, E-commerce has been adding jobs continuously to create huge demand for frontline workers. Both in FY 2021 and FY 2022, E-commerce has shown a substantial surge in jobs demand.

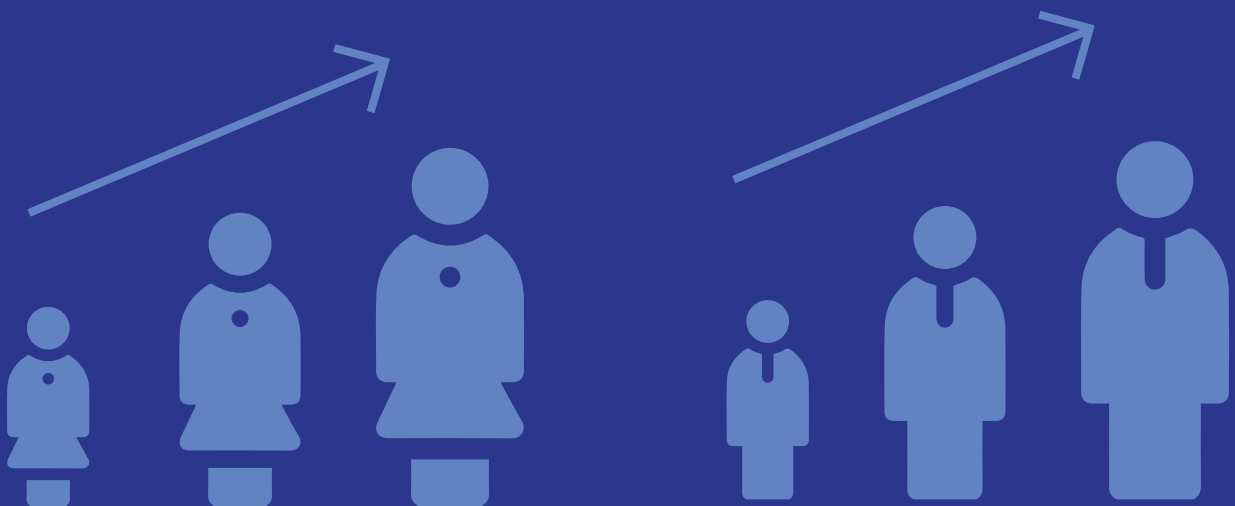




# GENDER & AGE DISTRIBUTION

## GENDER

☐ Men ☐ Women

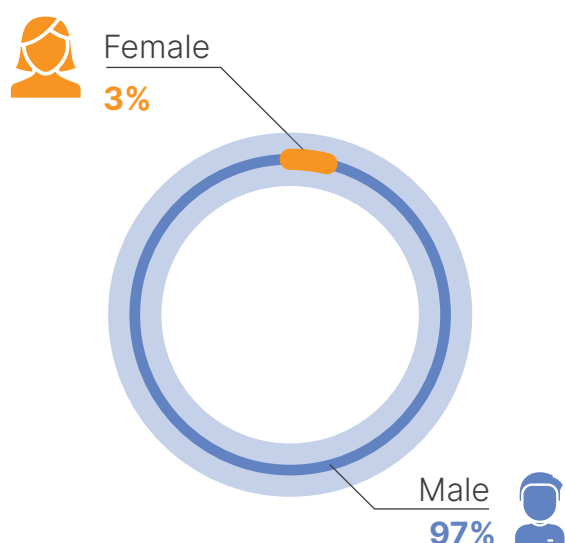




## Gender & Age Distribution

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With Males dominating the frontline workforce, there is a clear lack of diversity



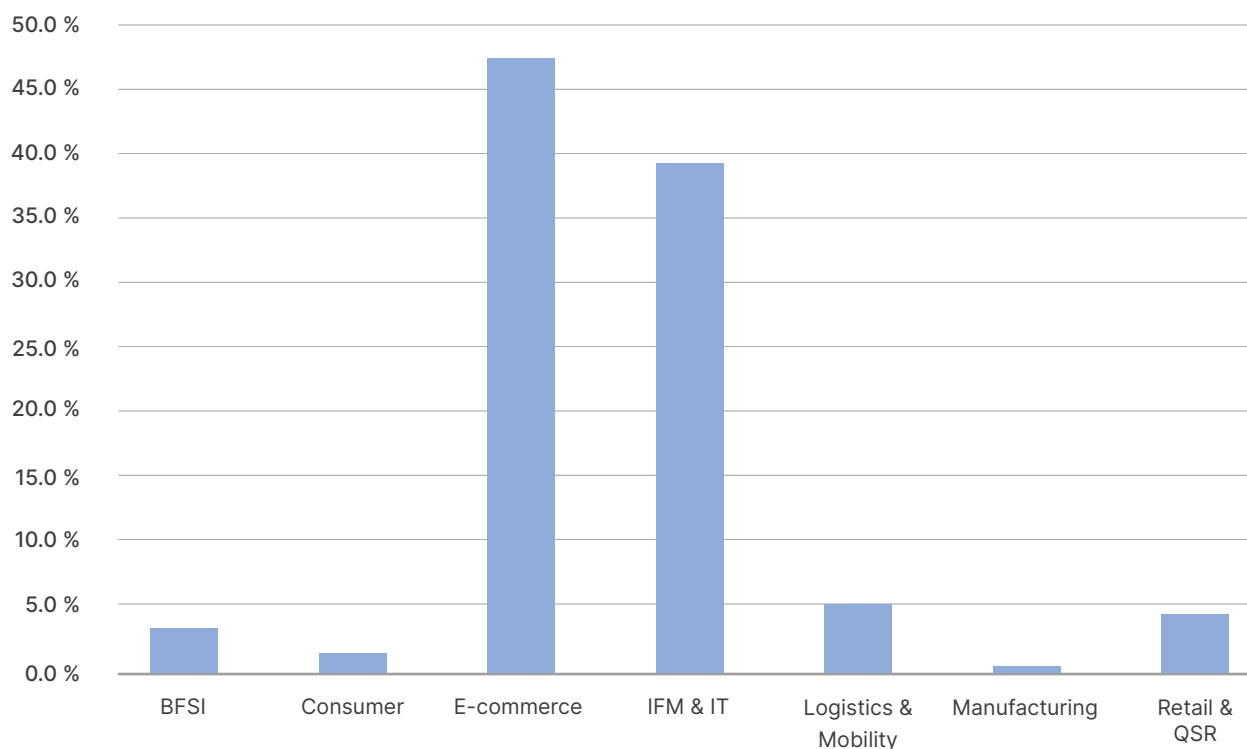
Almost 97% of the frontline workers are males and only a mere 3% are females

Some of the probable reasons for lower women participation could be long job hours, taxing nature of the job, unavailability of restrooms and vehicles coupled with safety issues etc. Recent job stagnation and high unemployment rates for women, amplified by the Covid-19 pandemic forced women out of the labour force as they had to take on the role of primary caregivers. According to World Bank data and estimates, amongst its south asian counterparts, India has a staggering low women labour participation rate of 20.3%. However, the gig economy has shown hope and spread a positive sentiment towards increasing women's participation in the gig workforce in the near future.

Furthermore, women are mostly self-employed in the household industry as helpers, which has zero formalization as a functional area/role. This can also be a major part of the reason why women's participation in the frontline labour force is next to negligent. There is a need for companies to create a more enabling environment for women and invest heavily in training/skill development so as to bump up these numbers in the coming future.



## Female Participation across Industries



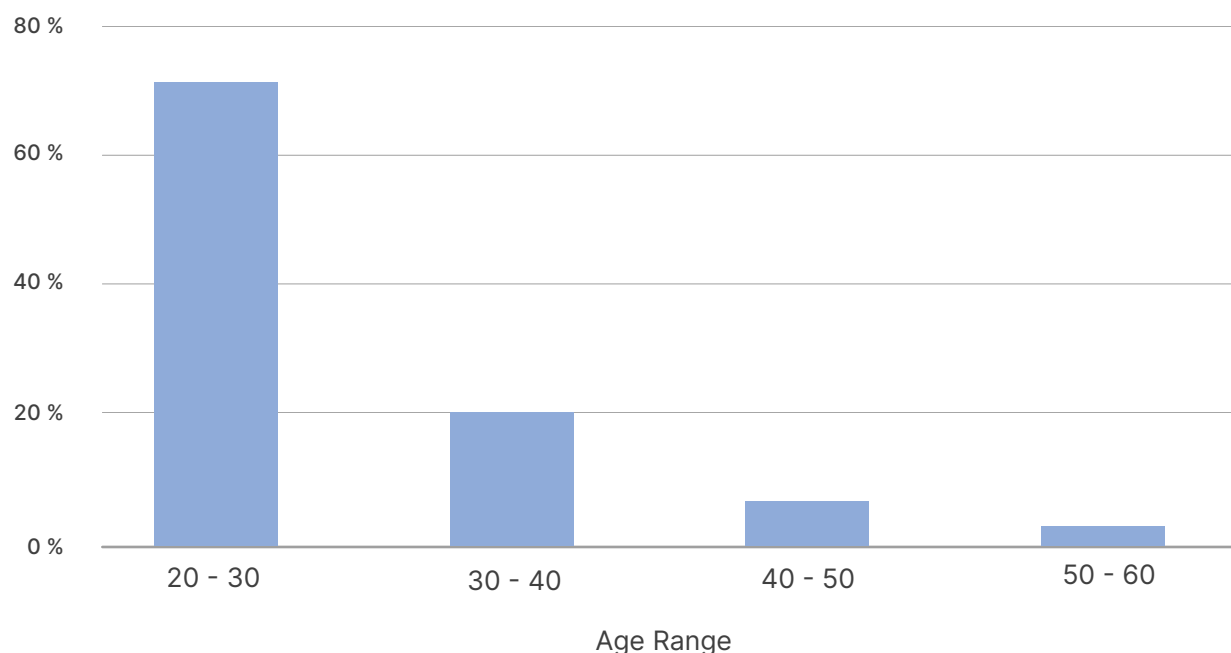
Flexibility of working hours and the choice of taking up different roles to maximize earnings help women act as the secondary breadwinner of the household.

**47.5%** of the total women in the frontline workforce took up jobs in **E-commerce**, while **IFM & IT** came second with **39.5%** followed by **Logistics & Mobility** at **5.3%**.

**Almost 92% of the total female workforce** in this space are concentrated in **E-commerce, IFM & IT, and Logistics & Mobility**. Some of the most sought after roles are **Tele-Sales Executives, Data Analysts, Customer Service, Field Survey Associates and Content Moderators** etc. The potential of the platform economy accelerating more gig opportunities for women is surely set to decrease the gender gap very soon.



## Age Distribution



Approximately 72% of the frontline workforce is in the age range of 20-30. Youth is accepting gig economy as a viable mode of employment. The median age of a frontline worker is 25 years.

A major chunk of the younger population is taking up frontline jobs in the gig economy. **Gen Z (19-25 years) makes up for 48% of the gig workforce** and is open to the concept of learning while earning. They are willing to take up freelancing and gig opportunities alongside studies owing to the flexibility of work provided by the gig model.

**Only 20.3% of the frontline workers across industries belonged to the age bracket of 30-40 years.** Taking a look at some of the high demand frontline jobs, delivery boys, technicians, operations executive, field sales etc. all these jobs require on ground and active physical labor, leading to lower participation rate of middle-aged employees.

As for the **age bracket of 40-50 years, only 6.3% of them were actively working across industries** in frontline jobs and only **a minute 1.7% of the frontline labour workforce is attributed to the age bracket of 50-60 years.**



# ATTRITION



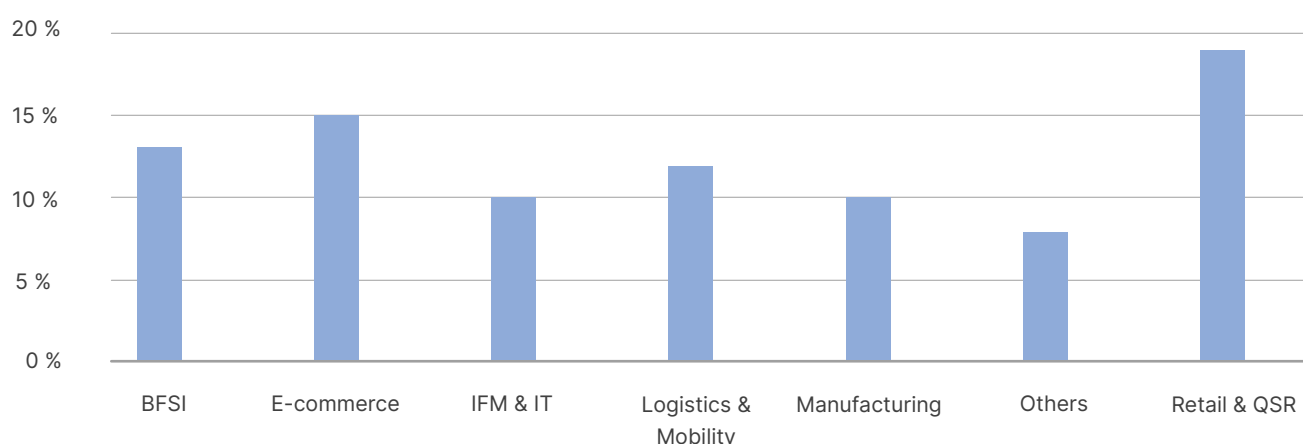


# Attrition

# 19%

Avg. monthly attrition rate in Retail and QSR in FY 2022

## Overall monthly average attrition



**Retail & QSR showed the highest average monthly attrition rate of 19% in FY 2022 followed by E-commerce and BFSI**

As per our data and findings, Retail & QSR, E-commerce and BFSI are the top 3 industries to witness highest attrition rate on a monthly basis.

Both Retail & QSR and E-commerce industries are influenced by the wave of consumerism that has swept up post the pandemic and have huge demand for driver and delivery jobs. Consecutively, these industries have also witnessed a huge surge in demand for their products and services during and post the pandemic. Since the demand is huge and processing times lean, they require workers in large numbers. The hectic nature of jobs and easy replaceability of workers can be the two major reasons why attrition is high in these industries.

# DEMAND, SUPPLY AND MIGRATION PATTERNS







# Demand, Supply and Migration Patterns

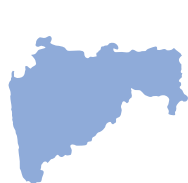
## 60%

of the frontline workforce belongs to Maharashtra, Andhra Pradesh/ Telangana, Tamil Nadu and Karnataka

These 4 states contribute towards supplying the majority of the frontline workers.

Maharashtra is the highest contributor at **23.1%**.

### Top 10 Supply states



**23.1%**

Maharashtra



**17.4%**

Andhra Pradesh/  
Telangana



**12%**

Tamil Nadu



**10.6%**

Karnataka



**9.8%**

Uttar Pradesh



**8.4%**

West Bengal



**5.5%**

Delhi



**4.9%**

Gujarat



**4.5%**

Kerala



**3.9%**

Haryana

## 75%

of the total frontline workforce belongs to the top 5 supply cities -  
Mumbai, Hyderabad, Delhi NCR, Chennai and Bengaluru

Note - We have highlighted the potential movement of workers from supply states and cities.  
That movement could be intra state or inter state.



Mumbai shows the highest contribution at **24.7%**

### Top 10 supply cities



**24.7%**  
Mumbai



**15.6%**  
Hyderabad



**14.9%**  
NCR



**11.4%**  
Chennai



**9.9%**  
Bengaluru



**8.8%**  
Kolkata



**7.1%**  
Pune



**2.8%**  
Ahmedabad



**2.8%**  
Coimbatore



**2%**  
Aurangabad

# 65%

of the total demand for frontline jobs come from Maharashtra, Andhra Pradesh/ Telangana, Karnataka and Tamil Nadu

Maharashtra also constitutes for a large number of frontline jobs.

### Top 10 destination states



**24.1%**  
Maharashtra



**17.3%**  
Andhra Pradesh/  
Telangana



**12.5%**  
Karnataka



**11.1%**  
Tamil Nadu



**7.3%**  
Uttar Pradesh



**6.8%**

West Bengal



**6.4%**

Haryana



**5.5%**

Delhi



**5.3%**

Gujarat



**3.7%**

Kerala

Mumbai, Hyderabad, Delhi NCR, Bangalore and Chennai are the top destination cities where frontline jobs are.

### Top 10 destination cities



**20.9%**

Mumbai



**17.2%**

Hyderabad



**15.8%**

NCR



**14.8%**

Bengaluru



**9.7%**

Chennai



**7.7%**

Pune



**7.2%**

Kolkata



**2.4%**

Ahmedabad



**2.2%**

Gandhinagar



**2.2%**

Coimbatore

Maharashtra and Andhra Pradesh/ Telangana are the top destination states and workers from Mumbai, Hyderabad and Delhi NCR are the major supply cities for these states.

Analyzing our data we have realised that there might not have been any major migration patterns in FY 2022. Evidently, there has been a structural change in the interstate migration patterns since the pandemic. Both FY 2021 and 2022 have not reported any stark changes in this pattern.



## There could be a number of reasons for this shift in interstate migration patterns:

- ▶ Post the pandemic, rural to urban migration is probably at one of its lowest ebbs. Government schemes like MGNREGA and PM Rozgar Yojana have helped people earn a livelihood closer to home when the pandemic hit.
- ▶ Due to digitalization of work and the advent of the gig economy post the pandemic, reverse migration is becoming a trend now.
- ▶ States such as Bihar, Jharkhand and West Bengal that had earlier contributed largely to the migratory population have an opportunity of remote work now. This could be the reason why these states are not part of the top supply and destination states this year.
- ▶ A large part of the worker population had moved back to the agriculture sector when the pandemic hit.

Nonetheless, interstate migration can be expected to normalize in FY 2023. Workers were supposed to migrate probably towards the end of Q4 of FY 2022 but this movement was affected due to the threat of the third wave of the pandemic.

Even though a huge chunk of gig workers and frontline jobs are in tier 1 and metro cities, these jobs have now started to trickle down to tier 2, tier 3 and non-metro cities. Thus, this surge in demand in tier 2 and tier 3 cities can motivate workers from metro and tier 1 cities to migrate back to their hometowns and cities. This could again set in motion, reverse migration.



# INCOME & LIVELIHOOD



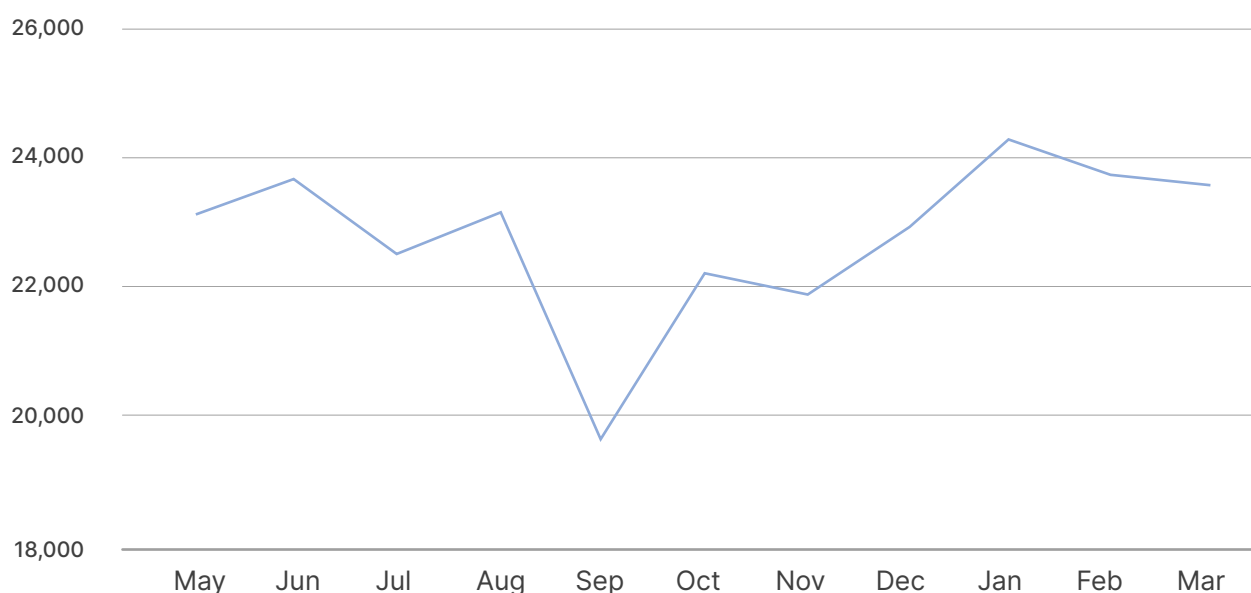


## Income & Livelihood

# ₹ 22,800

Average monthly salary for frontline workers in FY 2022

### Average Salary MoM Growth



# ₹ 24,222

Highest average monthly salary reported in January in FY 2022 across industries

January had the highest average salary at ₹ 24,222 which could be one of the reasons for the lowest attrition numbers as well in the month. As per secondary data, from a macro level trend perspective, demand had started to increase in Q4.

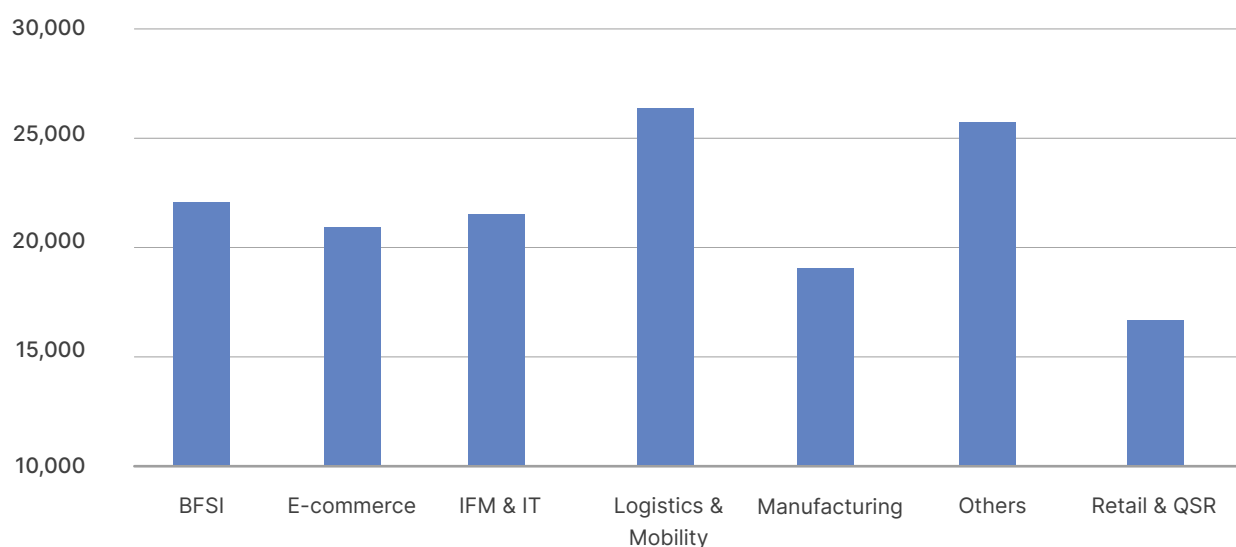


## Average salary started declining from

July                      September  
₹ 22,491      to      ₹ 19,750

- ▶ While Q2 saw a huge rise in demand for frontline jobs, there is a clear decline in salary from July to September. This demonstrates the easily replaceable nature of frontline employees and the lack of labour laws and provisions in place to provide security of tenure. As a result of low salaries, attrition might have been high in the second half of the year.
- ▶ **Since salaries decreased in Q2 this must have created a ripple effect leading to increased attrition in Q3.** November and December especially have shown high attrition.
- ▶ As people exited the workforce, employers must have been forced to increase the average salary to retain more people. As a result, the average salary started going upwards slowly again from December onwards, reaching an all time high in January.

## Industry-wise Average Salary







# ₹ 26,484

Logistics & Mobility not only show a high demand for frontline jobs but also offer the highest average salary



₹ 26,484

Logistics &  
Mobility



₹ 22,113

BFSI



₹ 21,884

IFM & IT



₹ 20,870

E-commerce

▶ According to government sources and 2022 budget allocations, driver, delivery and retail segments are to see the highest demand for frontline workers in FY 2022. Our data also shows a similar story. Logistics & Mobility account for the highest average salary amongst all the other industries. Even though it offers the highest average salary, it is also one of the industries that has high attrition. This paradox can be explained by the fact that the majority of jobs in this sector are hectic in nature and workers are easily replaceable. Other factors that can lead to a high turnover could be job security, benefits, upskilling, schedule quality and flexibility, paid vacation and sick time etc. Hence, well-being and welfare also play an important role in employee retention for all of these industries.

▶ Other job roles that are exhibiting greater demand

- ▶ Data Entry/ Back Office
- ▶ BPO/ Customer Service
- ▶ Field Sales

These roles can be corresponded with industries like **BFSI, IFM & IT and E-commerce** which all offer higher average salaries.

# ACCESS TO DIGITALIZATION & TECHNOLOGY



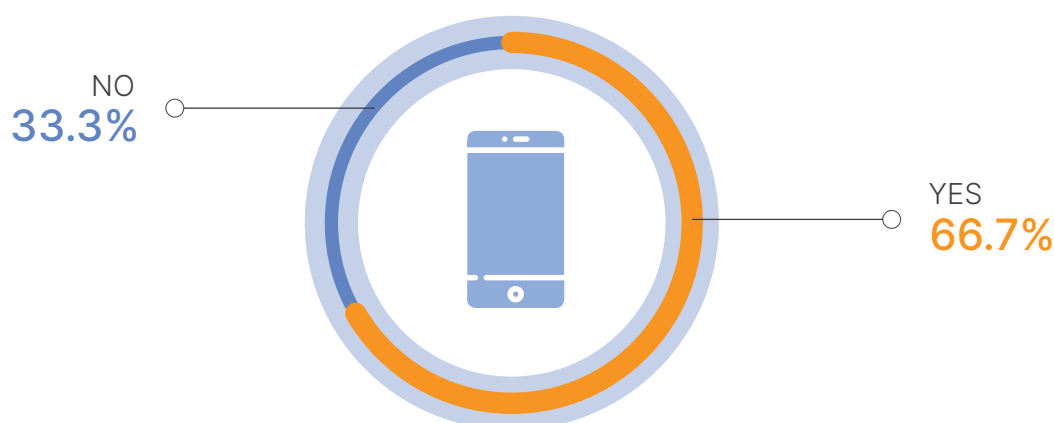


# Access to Digitalization & Technology

# 67%

of frontline workers have access to smartphones in FY 2022

## Access to Smartphones



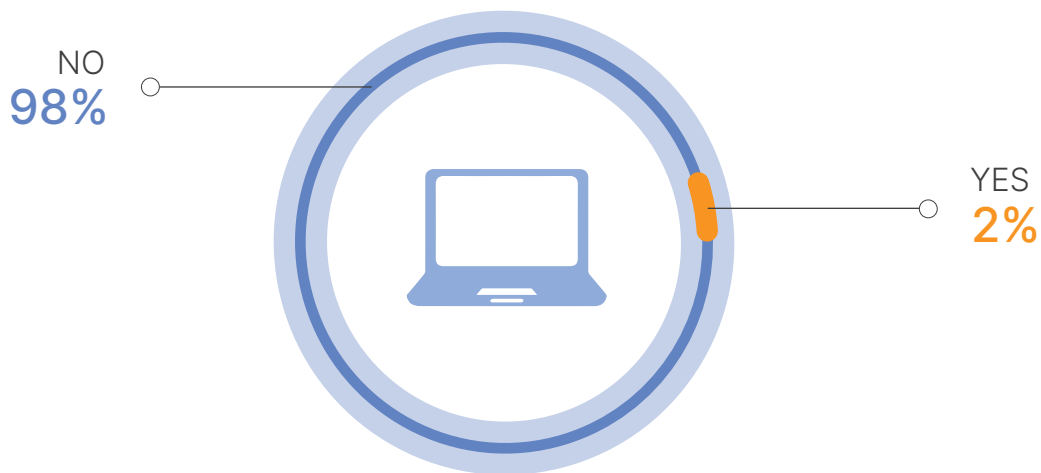
- ▶ Digitalization has peaked due to several factors like the pandemic, Industrial Revolution 4.0, introduction of 5G and advent of IoT, AI and ML.
- ▶ Almost 67% of the frontline workers have access to smartphones while 33% of them still don't have access to smartphones. However, from a business understanding the percentage of people with access to smartphones can be higher considering a proportion of respondents may have not chosen to declare the same. Hence, approximately 80% of them could be using smartphones. Consequently, this percentage has been increasing manifold ever since the pandemic, as employers are now looking at large scale tech applications to improve the process of workforce fulfillment by use of data analytics. This means more workers are now looking for platform jobs.
- ▶ Additionally, employers are now seeking employees that are well-versed in basic smartphone technology to digitize operations.



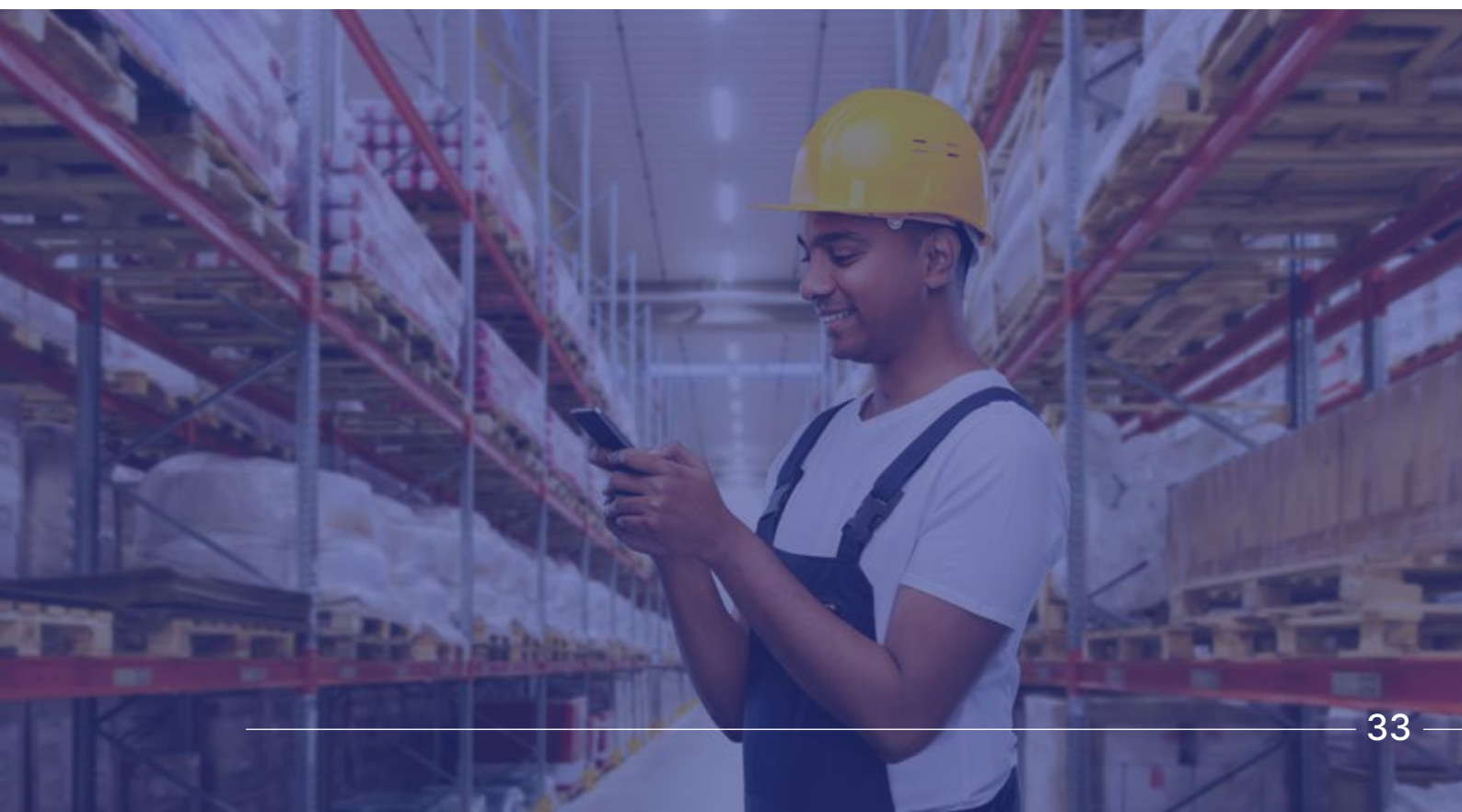
# 2%

of the frontline workers have easy access to laptops

## Access to Laptops



According to our data, 98% of frontline workers do not have access to laptops. This could be attributed to the fact that these jobs do not require extensive understanding and usage of technology. Also, smartphones are a necessity as they help achieve almost all of the routine tasks. Smartphones are also considered a “smarter” replacement for laptops nowadays.





# UPSKILLING & RESKILLING





# Upskilling & Reskilling

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## Upskilling & Reskilling are the new pillars of success for frontline workers

Reskilling in the frontline industry is the need of hour just like in any white-collar industry. What we know today will become redundant tomorrow. This trend applies to all sections of today's workforce, including our frontline audiences.

As we have seen, there has been a surge in gig and frontline hiring since 2020. And most of this segment remains unskilled or semi-skilled. According to government estimates, fewer than 5% of India's 250 million workers (out of which a significant proportion now belong to the gig economy) have received any formal skills training. Infact only 47% of the gig work is in medium-skilled jobs, about 22% in high-skilled, and about 31% in low-skilled jobs. These are some very low figures due to which upskilling and reskilling has been prioritized on the country level with policies like Skill India Mission & India's National Policy for Skill Development and Entrepreneurship (MSDE). Rise of platform jobs have also led to platform led skilling initiatives in this Industry and these could all be included with the government's efforts to address the larger skill gap.

Even though there is huge demand and an adequate supply of employable frontline and gig workers in the ecosystem, their growth is stunted after a point due to lack of digital and industry-specific skills. **Post the pandemic, digital readiness has become a prerequisite to becoming employable in jobs especially in IFM & IT, BFSI, Retail & QSR and E-commerce industries.** Upskilling and reskilling will not only address the global- and country-level skill gaps but also help optimize costs for businesses and counter the problem of attrition and retention in this labour economy.

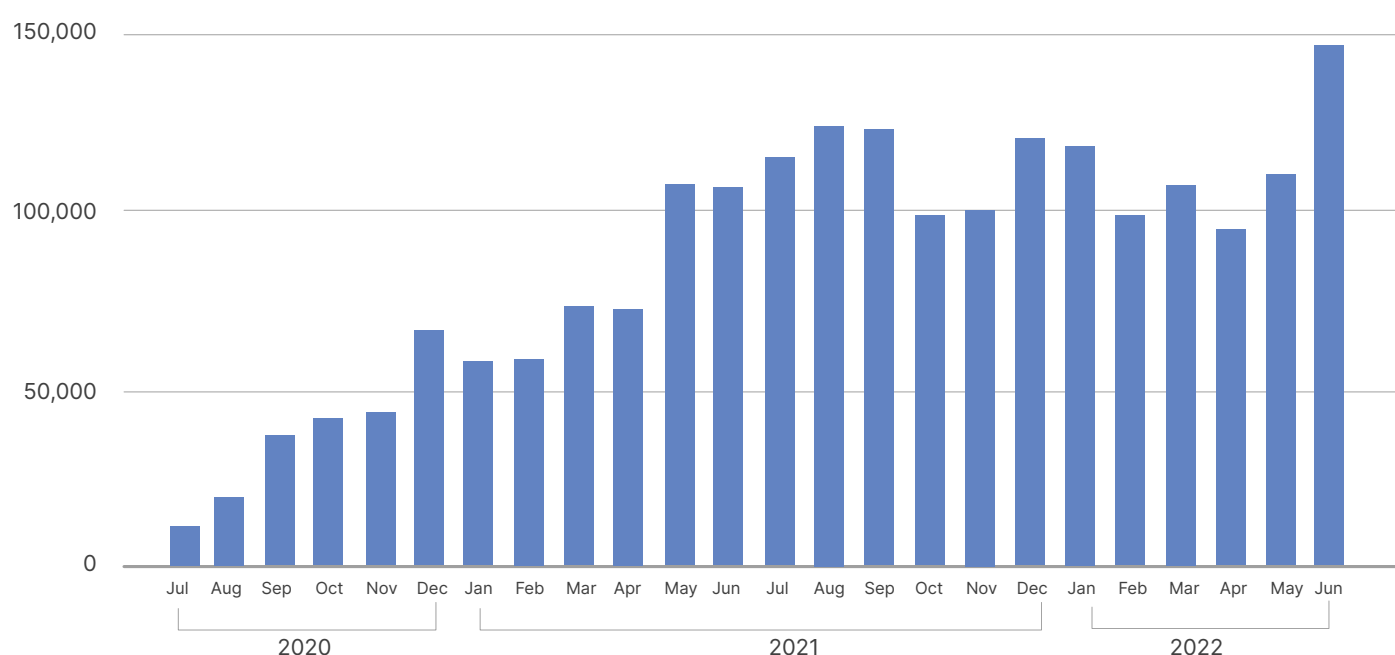
Thus, they need reskilling to remain relevant and access better jobs, as well as impact a range of business outcomes for their employers.

Data over the past two years demonstrates that employers across industries have been actively advocating the need for learning and development for their frontline employees. Majority of the users come from the Delivery and Logistics Industry, followed by E-commerce and Retail. With more than 70 clients ranging across industries and approximately 2.4 million active users till



date, it is a testament to the fact that companies of all sizes are willing to upskill their frontline employees. Owing to the pandemic, digitalization has seen a sudden boom. According to Statista, **India has over 658 million internet users as of February 2022** and this figure is projected to grow to 1.5 billion by 2040 states a report by Deloitte. Smartphone adoption doubled over the pandemic years and almost 67.6% rural households now have access to smartphones. India is touted to have 1 billion smartphone users by 2026 alone. Evidently, digitalization is picking up speed and so is e-learning.

## MoM growth in new users

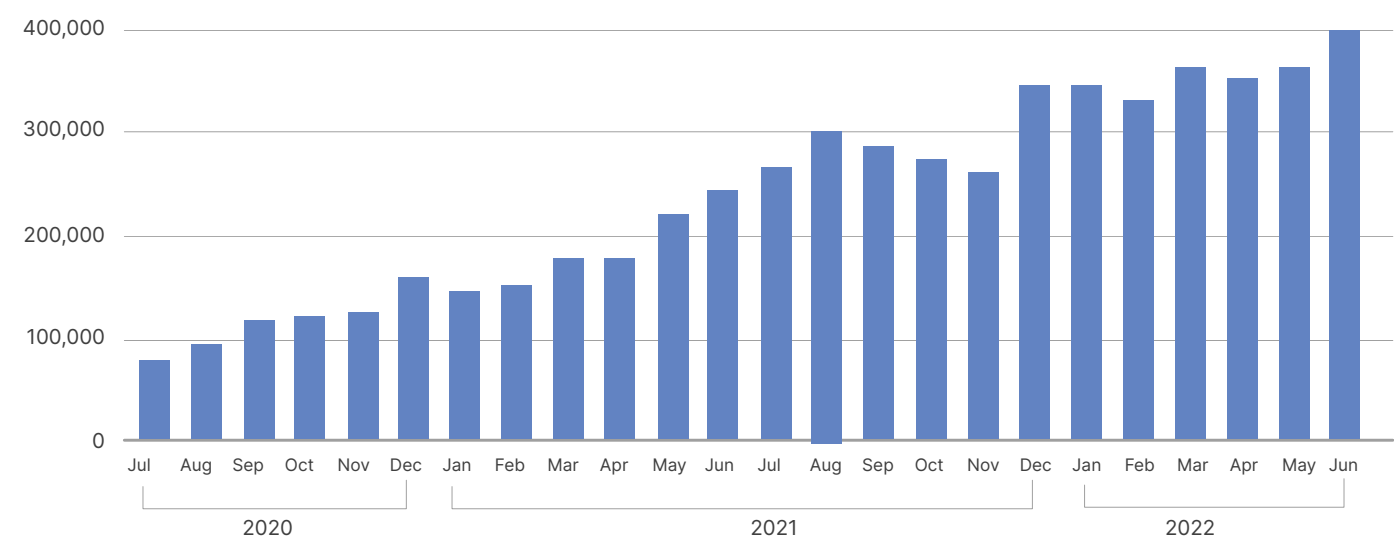


While enrolment is driven by employers, the onus of completing the courses lies on the frontline employee. Increasing completion numbers show that they have definitely bought into the practice of learning. Not only does this offer a real opportunity to access better paying jobs but also a chance to have a better quality of life. Though we don't see 100% completions, the consistent spike in numbers do point towards the growing awareness about the need for learning, and its benefits.

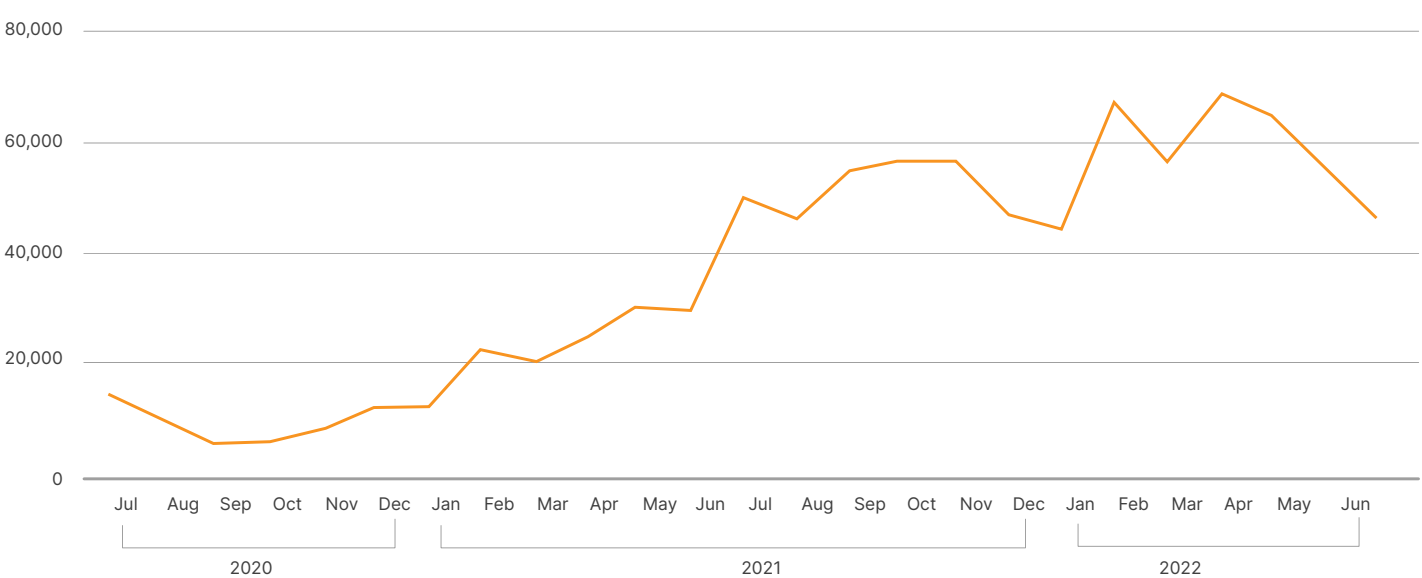




## MoM growth of active users on the platform



## Time spent monthly on learning

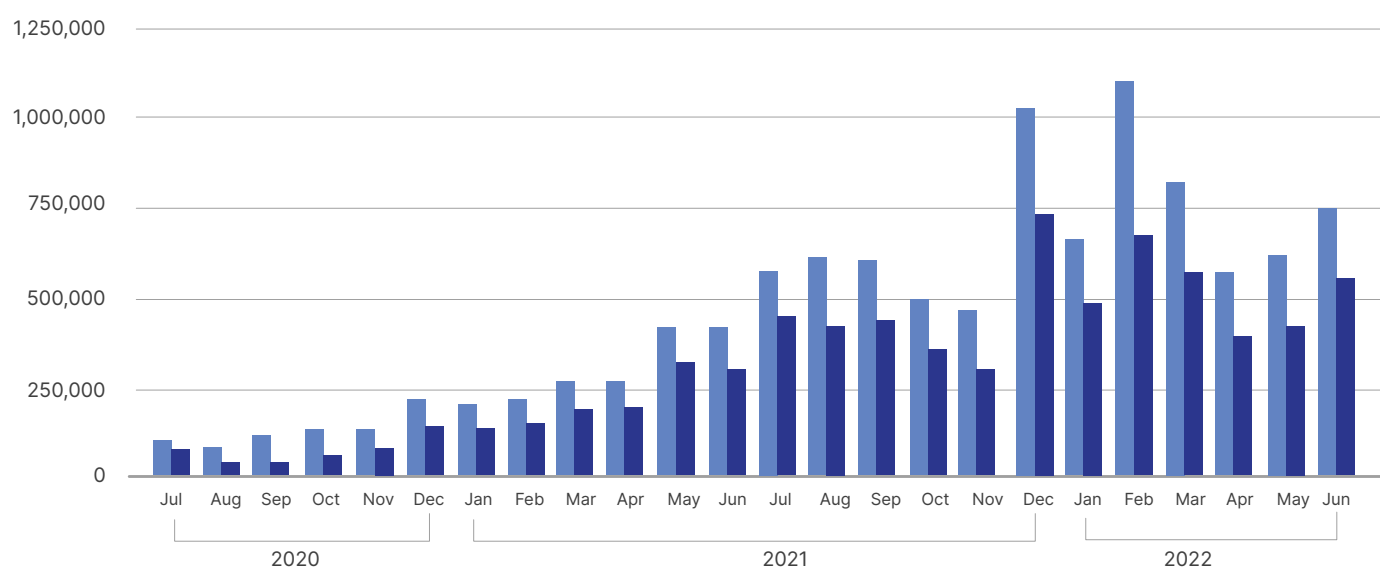


Based on the total active users on the platform, where we have 1,800 courses, the average learning minutes spent per course is 3,432.



- ▶ An interesting insight to note here is that, in the month of May 2020, the total amount of learning hours spent on our platform was around 15,000. With pandemic-driven edtech initiatives, we saw a dramatic spike in the learning hours. In May 2021, we recorded over 48,000 learning hours per month. Cut to 2022, this upward trend continues and today, we account for more than 66,000 learning hours per month.
- ▶ We have consistently seen over a **95% completion rate**, no matter the number of users. This demonstrates a trend where users are keen to test the strength of their knowledge and learn the skill well. The minimal gap between distribution and completion of assessments shows that there is learning inclination on the employees' side.

## MoM growth in enrollments vs completion of courses



Tailored, high-quality learning content solves pressing business challenges for the enterprises, increasing motivation and competence in workers through continuous engagement. Access to digitalization has made the dissemination of learning content easy and cost effective.



## What are the top skills that are in demand from an employer perspective?



### Business-outcome related skills



Confidence in customer service & interactions



Fundamental sales skills



Digital and tech fluency



Quality adherence - understanding processes, compliance needs, operations



Product (Inventory) handling and management



### Workplace-efficiency related skills



Workplace productivity - time-management, multi-tasking, decisions, risk taking



People skills - managing conflict, problem-solving, accepting feedback, collaboration



Workplace etiquette - hygiene, grooming, seeking support, addressing complaints



Proficiency in communication



Entrepreneurial mindset



## Top Courses in Demand across Industries





# PRIORITIZING DIGNITY & WELL-BEING OF FRONTLINE WORKERS





# Prioritizing Dignity & Well-Being of Frontline Workers

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Since the advent of the gig economy, the Indian government has been making conscious efforts to formalize and regularize the frontline workforce. Unlike in the white-collar labor markets, frontline workers are often left out of scope of benefits like insurance, PF and access to healthy means of credit. They often lack job security as well. However, now enterprises have taken cognizance of the state of their well-being and are on the path to assure dignity by offering benefits beyond salary to their frontline workforce.

## Going Beyond Salary to Provide Benefits

As we slowly put the pandemic behind us, access to good quality healthcare has become a pre-requisite to ensuring well-being. The 2020 Social Security Code states that all frontline and gig workers from the unorganized sectors should have access to healthcare. Under the Employee State Insurance Scheme, all industrial and commercial establishments, workplaces, and offices will need to provide a group health insurance policy for all workers, whether hired directly or indirectly through a contractor.

In a tight-labor market, enterprises are extending compelling benefits and security to their staff to woo and retain them. Big gig employers such as Zomato, Swiggy, Dunzo, etc. provide a combination of health, accident & term coverages to their delivery partners. The number of companies offering insurance for their frontline and gig workers has grown 4X since the start of pandemic and it is set to increase in the upcoming years.

## According to BetterPlace's data and insights, providing insurance benefits will



Offer financial independence to workers



Reduce attrition up to 20%



Offer better living standards for their workers



Create loyalty and motivation

Provisions like insurance, healthcare and other benefits (paid sick leaves, occupational disease and work accident insurance, retirement benefits, and pension plans etc.) will enhance employee welfare and engagement and establish the frontline economy as a formalized labor market.

# RISE OF THE GIG ECONOMY





# Rise of the Gig Economy

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## A Snapshot of the Current Landscape

The gig economy picked up pace with increase in digitalization and technology adoption during the pandemic. Gig work essentially comprises of task-based work.

Post the pandemic, gig became a standalone job sector, partly owing to the increasing jobs demand in platform-based companies like Swiggy, Zomato, Urban Company, Uber and Ola etc. According to a report by BCG, the gig economy has the potential to serve up to 90 million jobs in the non-farm sectors of India and add upto 1.25% to the country's overall GDP.

What makes the gig economy so interesting is the benefits it has to offer. Some of the key features of a job for gig workers are; an additional source of income, flexibility in work, higher efficiency and increased earnings per hour etc. For enterprises, it means increased operational efficiency, an improvement in productivity by reducing idle and unproductive time and a new business model for the growing demand for workforce fulfillment.

To provide the right opportunities for India's estimated 90mn gig workforce, a marketplace employment model can be adopted, defining the future for both workers and enterprises. As more enterprises choose to employ gig workers in their day-to-day operations, the rise in demand will aid the formalization of the industry. Technology adoption will enable more workers to have a dignified life.

There are many factors that attract workers to this economy, however, there have been gaps in creating a safety net for the gig workers. Issues like minimum wage requirement, security cover, access to non-financial benefits, worker protection and poor working conditions have raised concerns over the sustainability of this economy and mode of working. The Government of India has taken this into account and promised to put legislative and regulatory frameworks in place that will help bring some order and policies to formalize this space.





In September 2020, the Code on Social Security bill was pushed in the Parliament. This bill, once implemented, will add a layer of protection to the gig workers. Upon implementation of this bill, gig workers will be eligible for social security benefits like health and life insurance. In addition, a contribution of 1-5% of an aggregator's turnover would be payable to the gig workers. A Social Security Fund will also be established to offer protection against death and disability as part of old-age benefits.





# Key Industry Takeaways

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## E-commerce

- ✓ FY 2022 was a positive year for the E-commerce industry in more ways than one. This is an industry that saw a significant increase in consumer buying as a result of the pandemic and continued to grow manifold.
- ✓ This industry relies heavily on frontline workers in the delivery and retail segments. Hence, the demand for frontline workers and jobs in E-commerce was the highest.
- ✓ It also accounts for the second-highest average monthly attrition rate amongst all industries. This could be due to the fact that while there are a lot of job vacancies, average salaries are lower compared to other industries.
- ✓ Learning and development and skilling have the highest penetration in E-commerce.



## Logistics & Mobility

- ✓ Logistics and Mobility industry which comprises driver and delivery executives has seen the second highest demand for frontline jobs after E-commerce.
- ✓ It had the second highest job vacancies, according to our data. It also offered the highest average salary of Rs. 26,484 to its workers.
- ✓ The high job vacancies and high average salary have led to high attrition rates monthly in the Logistics & Mobility industry. It is among the top four industries with high attrition.
- ✓ Additionally, Logistics & Mobility is set to be one of the biggest contributors to the hiring demand in 2022 along with E-commerce.
- ✓ Logistics & Mobility was also one of the top industries to offer courses to their employees for upskilling and training.



## IFM & IT

- ✓ The IFM & IT industry has also shown a surge in demand for frontline/gig jobs in FY 2022.
- ✓ This industry was the third-highest contributor to the total job vacancies in FY 2022.
- ✓ It shows relatively high monthly average attrition rate similar to Manufacturing.
- ✓ Roles for data entry and back office are gaining momentum and popularity and will make up for a huge part of the demand in FY 2023 as well.
- ✓ Workers had an average monthly salary of Rs. 21,884 in this industry.
- ✓ However, skilling is yet to take off as a trend in this industry.



## BFSI

- ✓ The BFSI industry accounted for the fourth highest contribution to the total job vacancies reported on our platform in FY 2022.
- ✓ This industry showed third highest average monthly attrition rate amongst all the other industries in FY 2022.
- ✓ It offered an average monthly salary of Rs. 22,113.
- ✓ The banking and financial services sector saw a sharp bounce back across the country towards the end of Q4.
- ✓ Data entry roles are also increasing in number across this industry and attracting more frontline/gig talent.





## Way Forward

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- ▶ Slowly the demand and growth are surpassing the pre-covid levels to augment the spread of the gig model in India. However, dignity and well-being seem to be a distant dream. More needs to be done in terms of legislations and provisions to protect and safeguard the basic rights of frontline workers.
- ▶ Atmanirbhar Bharat has enabled startups to boost job creation and employment, accelerated by the digital revolution that has overtaken since the pandemic. This has allowed for jobs to trickle down to tier 2 and tier 3.
- ▶ Millennials and Gen Z are ditching the traditional mind-numbing toil of 9 to 5 jobs to embrace the growing gig culture. Gig economy is set to play an important role in helping India reach its \$5 trillion economy milestone by 2025.
- ▶ Organizations are driving the rise in gig economy in order to stay relevant and grow perpetually. Job roles in operations, business development, HR, sales and marketing, business analytics, etc. are on the rise and are highly desired.
- ▶ While the man-to-woman gender ratio gap may be too wide at the moment, the gig economy will be the knight in shining armor that bridges this disparity. According to a survey by UNDP, 57% of people think that the gig economy will boost women's employment due to the highly flexible nature of the jobs offered.
- ▶ Technology and digitalization will continue to transform the gig economy. This marriage between digitisation and HRTech/ work-tech platforms is expected to entirely redefine the process of end-to-end workflow management. Secondary data indicates that it is supposed to become a \$43-billion dollar industry globally by 2026.
- ▶ Upskilling for frontline workers is touted to become both a prerequisite and necessity.
- ▶ HRTech/ work-tech platforms are introducing and implementing minimum wages and benefits like micro-insurance, access to vehicles, credit and pro-rata pension etc.



# Annexure

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## **A** Research Methodology

- ▶ Mixed methodology was used for the purpose of this report.
- ▶ For qualitative analysis, content analysis and narrative analysis was undertaken to form correlation between the data and themes/narratives in the industry.
- ▶ Secondary data was used to confirm and validate our findings throughout the course of this research study.
- ▶ For quantitative analysis, descriptive statistics were used. Averages, Medians and modes were calculated to determine quantitative patterns.
- ▶ A sample size of 2.8 million was used. These are all data entries from the Better Place platforms for verification.



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## **B** List of Abbreviations

<b>BFSI</b>	Banking, Financial Services and Insurance
<b>BPO</b>	Business Process Outsourcing
<b>EV</b>	Electric Vehicles
<b>FY</b>	Financial Year
<b>GDP</b>	Gross Domestic Product
<b>IFM</b>	Integrated Facility Management
<b>IT</b>	Information Technology
<b>ITES</b>	Information Technology-Enabled Services
<b>MoM</b>	Month-on-Month
<b>NSS</b>	National Sample Survey
<b>Q1</b>	Quarter 1
<b>Q2</b>	Quarter 2
<b>Q3</b>	Quarter 3
<b>Q4</b>	Quarter 4
<b>Retail &amp; QSR</b>	Retail & Quick Service Restaurants
<b>YoY</b>	Year-on-Year





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# Disclaimer

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- ▶ This report is based on a sample of 2.8 million profiles of individuals working with 3,100+ large organizations.
- ▶ The data considered here has been collected from April 2021 to March 2022 \*(for upskilling, the data has been taken from the period of May 2020 to May 2022)
- ▶ Insights are based on internal processing and thorough data analytics.
- ▶ Demand & supply for jobs have been calculated by extrapolation based on BetterPlace's market share and internal data.
- ▶ The report includes industry-wise data largely from E-commerce, IFM & IT, BFSI, Logistics & Mobility, Manufacturing, Retail & QSR etc.
- ▶ Information is based on actual metadata, subject to confidentiality and privacy policies of BetterPlace.
- ▶ 450 mn frontline workers includes all blue- & grey-collar workers, farmers and construction labour. 250 mn frontline workers refers to only the blue- & grey-collar workers.





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