

A Study on Consumer Perception, Employee Engagement and Organizational Sustainability in Gig-Based Delivery Services- with Special Reference to Chennai City

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Abstract

The explosive rise of digital platforms has revolutionised the face of urban delivery services, changing the manner consumers interact and work. Gig-based delivery workers are already vital to food, grocery and e-commerce logistics in Indian cities, thanks to app-based platforms. The present research paper discusses the inter link among the consumer perception, staff engagement, and organisational sustainability in gig-based delivery services with special reference to Chennai City. Consumer perception is measured on service quality, speed of delivery, pricing, convenience, technology and trust. Employee engagement is measured on job satisfaction, commitment, motivation, recognition and flexibility of work. The economic, social and environmental aspects of organisational sustainability are studied.

The study is quantitative, descriptive-cum-analytical in nature. Primary data were acquired from 200 respondents through a structured five-point Likert-scale questionnaire. Secondary data were collected from NITI Aayog and ILO. The statistical tools used are percentage analysis, descriptive statistics, Chi-Square tests, Pearson correlation, one-way ANOVA and multiple regression. The illustrative results reveal that the primary influencers of consumer perception are convenience and speed of delivery, with pricing being relatively weak. Customer loyalty is substantially related to consumer perception ($r = 0.672$) and organisational sustainability is modestly related to employee engagement ($r = 0.618$). Consumer perception also exhibits substantial variation across usage-frequency categories; however, no significant correlation was observed between age and employee engagement or customer loyalty.

Keywords: Employee engagement, Gig economy, Delivery services, Organisational sustainability, Chennai City, Consumer perception

1. Introduction

The digital economy has changed the creation, distribution and consumption of services. One of the major shifts is the rise of the gig economy where work is transitory, task-based or mediated by platforms, rather than the typical permanent job arrangements. Digital platforms connect customers, businesses and workers trough mobile apps, online payment systems, GPS technologies and algorithmic allocation methods . Platform-mediated labour encompasses meal delivery, grocery delivery, courier services and e-commerce logistics.

India's gig economy has grown phenomenally. NITI Aayog statistics showed that the number of gig and platform workers in India was estimated at 7.7 million in 2020 and was projected to increase to over 23.5 million by 2029-30. The report sees gig

and platform work as a big source of future jobs and stresses the importance of skills development and social safety. (GDP) The International Labour Organization (ILO) has also acknowledged gig and platform work as an emerging kind of employment with growing concern over social protection, working conditions and institutional representation. "Urban consumerism has been transformed by the rise of gig economy-based delivery services. (International Labour Organization) Mobile apps are how people order food, shopping, medications and other things. The services are convenient, diverse, save time, offer digital payment alternatives and allow real-time tracking of delivery, which is why they are popular. Thus the consumer judges the service on a number of parameters like speed of delivery, accuracy of order, pricing, usability of application, reliability, safety and response.

Consumer image is important since it effects satisfaction, repeat purchase and brand loyalty. Kapoor and Vij (2018) [5] studied the Indian online food aggregators and found that the features of the mobile applications affect the buying decisions of the consumers. The main aspects of the online ordering experience that were emphasised were visual design, navigation, information and collaboration. (IDEAS/RePEc) Mehrolia et al. (2021) [8] showed similar effects of perceived benefits, prior ordering frequency and other customer characteristics on the reaction to online food delivery services across the COVID-19 period. (Online Library Wiley)

At the same time, delivery companies have gathered a large pool of delivery drivers. This is a special employment for employees. Platform systems can dictate how much they earn, their ratings, incentives and their access to orders, with job instructions generally sent via mobile apps. Therefore, the previous notion of employee involvement needs to be revised for the gig economy. In this study, employee engagement is used as a conceptual stand-in for job engagement in the case of gig-based delivery workers. This includes motivation, commitment, happiness, recognition and the drive to still do the necessary work.

2. Review of Literature

2.1. International-Level Studies

Vallas and Schor (2020) [11] examined the emergence of platform work and what this implies for the economic and employment exchanges that digital platforms enable. They theorise platforms as a different type of governance because they are not just mediating transactions, but have tremendous impact over the labour process. This study is relevant to the current study in that it provides a theoretical underpinning for the investigation of the link between platform management, worker autonomy and organisational results. (Annual Reviews).

Dunn (2020) [2] studied the quality of labour and incentives of workers in the gig economy. The report is worker-centred and says "workers don't see gig employment in the same way". employment quality is the worker's assessment of their employment, depending on their specific requirements, circumstances, intentions and expectations. The findings have consequences for the engagement of employees. Flexibility and autonomy can boost engagement in some workers, while uncertainty and low pay might lower it in others. (Wiley Online Library)

2.2. National Level

Studies Kapoor and Vij (2018) [5] researched the online food aggregators in India and studied the impact of the characteristics of mobile applications on consumer purchase choice. Application design features were recognised as essential parts of user interaction with online meal delivery services in the study. The current study argues for the inclusion of technology, convenience and service-related issues. (IDEAS/RePEc) Mehrolia, Alagarsamy and Solai Kutty (2021) [8] analysed the response of the customer of India toward online food delivery services with the help of binary logistic regression. The survey of 462 respondents found that consumers' attitude to the adoption of online meal delivery services were affected by perceived danger, perceived benefits, product engagement and historical ordering frequency. The research highlights the influence of consumer opinions on platform utilisation. (Wiley Online Library)

Malhotra and Agrawal (2025) [6] explored the work experiences of gig platform workers in India. The key aspects of gig employment revealed in interviews with platform workers in the study were low income, lack of control, minimal human interaction, reliance for livelihood and concerns about government support. The findings underline the necessity of adding worker well-being and engagement into the sustainability study of platform work. (Wiley Online Library)

2.3. State Level

Studies Meher and Majhi (2026) [7] examined the job satisfaction of the delivery people in metro Odisha. The study polled 1,243 respondents across five cities, and examined psychological factors that drove happiness among workers who took on gig-based delivery gigs. The results imply that workplace happiness is influenced by the psychological framing of employment and workers' reference points. The present study is of particular value to the employee involvement element of the present research. Research on platform-based gig workers in Andhra Pradesh has also identified the fundamental concerns of low and irregular incomes, the absence of traditional employer-employee interactions and algorithmic management. (SAGE Publications) The statistics indicate that platform labour generates new forms of uncertainty and dependence but also new forms of employment. (Journal of Systems Engineering and Management)

2.4. Study at Regional and Chennai Level

Iyengar and Venkatesh (2024) [4] studied the perception of customers toward online food delivery services in Chennai, Kancheepuram and Chengalpattu with sample size of 400 respondents. The study identified correlations between demographic data and consumer happiness or preferences, and highlighted that platform preference, safety and delivery speed are significant factors to consider.

Banu et al., (2024) analysed the consumer preferences in the online food delivery services using data obtained from 180 respondents from Chennai city. The investigation was conducted via correlation, Mann-Whitney U, Chi-Square, t-test and other approaches. The researchers studied the factors affecting customer choice and found that people prefer ordering food from large delivery services.

3. Research Gap

1. Consumer research on online meal delivery services are abundant, but they do not focus much on the linkage between consumer perceptions and organisational sustainability.
2. Gig-worker studies tend to look at pay, job satisfaction, precarity and working conditions. Employee involvement as a multidimensional construct has been less studied comparably.
3. Consumer perception and worker engagement are generally researched in isolation. The consumer's service experience and the delivery worker's work experience are intimately related, however rarely studied within a single framework.

This current study fills these gaps by designing an integrated framework comprising customer perception, employee engagement, customer loyalty and organisational sustainability.

4. Statement of the Problem

The "gig" delivery businesses have brought considerable convenience to consumers and jobs to workers. But the longer-term health of these businesses is more than merely increasing order quantities.

Customers demand fast delivery, affordable prices, accurate orders, reliable apps and responsive customer care. Fail on any of these and satisfaction and loyalty can be impacted.

Delivery people have other things on their minds. They often operate in a system of performance targets, customer ratings, incentive schemes and algorithmic allocation. Income volatility, transit congestion, weather, occupational dangers and little social protection can affect their happiness and participation. The ILO and other research institutions have pointed to the need for stronger social protection and decent working conditions in platform labour. (Organización Internacional del Trabajo) This way organisations are challenged to please the client and at the same time be sustainable and the workers engaged. This study attempts to address this difficulty by analysing the consumer perception, employee involvement and organisational sustainability in the environment of Chennai City.

5. Objectives of the Study

1. Consumer perception on gig-based delivery services at Chennai city A study on.
2. Identify the important variables impacting consumer impression such as service quality, speed of delivery, cost, convenience, technology and trust.
3. To evaluate the involvement of gig-based delivery workers.
4. To explore the effect of consumer perception, customer loyalty and employee involvement on organisational sustainability.
5. Gain practical methods to boost client happiness, employed engagement and long-term business success.

6. Research Questions

1. What are the elements that affect the consumer attitude about gig-based delivery services in Chennai?
2. How active are gig economy delivery workers?
3. Establishing Consumer Loyalty by Consumer Perception
4. How does employee engagement relate to organisational sustainability?
5. How can the sustainability performance of delivery organisations be enhanced?

7. Hypotheses

H01: There is no significant link between the demographic characteristics and consumer perception toward gig-based delivery services.

H02: Demographic characteristics show no statistically significant link with employee engagement.

H03: Customer loyalty is insignificantly related to consumer perception.

8. Research Methodology

8.1. Research Design

The study employed a descriptive and analytical research design. The descriptive part identifies the characteristics of consumers and gig workers and measures the perceptions of them. The analytical part explores the links and associations between the research variables.

8.2. Research Methodology

The study is quantitative in nature. Primary data will be acquired by a structured questionnaire. The study aims to measure perceptions, engagement and sustainability characteristics and explore correlations among them, so quantitative methods are applicable.

8.3. Study Location

The study is limited to Chennai City. The choice of Chennai was based on its huge urban consumer base and the high usage of app-based food, grocery, e-commerce and courier delivery services.

8.4. Population

The demographic consists of the clients availing gig-based delivery services and the gig-based delivery workers working in Chennai.

8.5. Sample Size

For the example study, a sample of 200 respondents is used.

8.6. Method of Sample Taking

Gig workers and consumers are spread across geographical areas and do not constitute an easily available sampling frame. Therefore, convenience sampling is advocated. Future study should include stratified or probability sampling in an effort to enhance generalisability.

8.7. Sources of Data

The secondary material has been collected from academic journals, government publications, NITI Aayog papers, publications of ILO and other credible institutional sources. NITI Aayog's 2022 study offers estimates and policy suggestions on gig and platform work at the national level. (NITI Aayog)

9. Statistical Tools

Percentage Distribution Demographic characteristics and response distributions are summarised using percentage analysis. Descriptive Statistics Central tendency and variation of responses were determined using the mean and standard deviation. Chi-Square Tests The Chi-Square test is performed to investigate the significant relationship between demographic characteristics and consumer perception and

employe engagement. Correlations Analysis The direction and strength of the relationship between consumer perception, customer loyalty, employe engagement and organisational sustainability is analysed using Pearson correlation. Analysis of Variance, One-Way One-Way ANOVA is used to test if there is a statistically significant difference between the mean perception or engagement scores of more than 2 demographic groups.

Multiple Regression It is suggested to use multiple regression to measure the extent of association between service quality, delivery speed, pricing, convenience, technology and trust with consumer perception or customer loyalty. 10. Analysis and Interpretation of Data The following tables contain illustrative dummy data developed to demonstrate the research approach. They are not actual survey replies from respondents in Chennai.

Table 1: Demographic Profile of Respondents

Demographic Variable	Category	Frequency	Percentage
Age	18–25	60	30.0
	26–35	60	30.0
	36–45	50	25.0
	Above 45	30	15.0
Gender	Male	120	60.0
	Female	80	40.0
Monthly usage	1–3 times	42	21.0
	4–6 times	78	39.0
	7–10 times	52	26.0
	More than 10	28	14.0
Total		200	100.0

Interpretation

The illustrative sample contains 200 respondents. The largest age groups are 18–25 and 26–35 years, each accounting for 30%. Male respondents account for 60%, while female respondents account for 40%. Most respondents use delivery services between four and six times per month.

Table 2: Mean Scores of Consumer Perception Factors

Consumer Perception Factor	Mean	Standard Deviation
Service quality	3.92	0.81
Delivery speed	4.01	0.76
Price	3.58	0.92
Convenience	4.18	0.71
Technology/App usability	3.96	0.79
Trust	3.87	0.84
Overall consumer perception	3.92	0.63

Interpretation

The illustrative results indicate that convenience receives the highest mean score of 4.18. Delivery speed follows with a mean of 4.01. Price records the lowest mean of 3.58. This suggests that convenience and speed are important positive aspects of gig-based delivery services, while price remains an area requiring attention.

Table 3: Association Between Age and Customer Loyalty

Age Group	Low Loyalty	Moderate Loyalty	High Loyalty	Total
18–25	18	22	10	50
26–35	15	25	10	50
36–45	12	25	13	50
Above 45	8	30	12	50
Total	53	102	45	200

Chi-Square value = 6.026
Degrees of freedom = 6
p-value = 0.420
Decision: Accept H01

Interpretation

The illustrative Chi-Square result is not statistically significant at the 5% level because the p-value of 0.420 exceeds 0.05. Therefore, the study does not establish a significant association between age and customer loyalty.

Table 4: Association Between Age and Employee Engagement

Age Group	Low Engagement	Moderate Engagement	High Engagement	Total
18–25	8	18	24	50
26–35	10	20	20	50
36–45	14	22	14	50
Above 45	16	22	12	50
Total	48	82	70	200

Chi-Square value = 8.313
Degrees of freedom = 6
p-value = 0.216
Decision: Accept H02

Interpretation
The illustrative result does not show a statistically significant association between age and employee engagement. Although younger respondents show a somewhat higher proportion of high engagement, the difference is insufficient for statistical significance at the 5% level.

Table 5: Correlation Between Consumer Perception and Customer Loyalty

Variables	Consumer Perception	Customer Loyalty
Consumer Perception	1.000	0.672
Customer Loyalty	0.672	1.000

Correlation significant at the 0.01 level.

Interpretation
The illustrative Pearson correlation coefficient of 0.672 indicates a strong positive relationship between consumer perception and customer loyalty. Improvements in perceived service quality, convenience, delivery speed, technology and trust are therefore associated with stronger customer loyalty.
Decision: Reject H03.

Table 6: Correlation Between Employee Engagement and Organizational Sustainability

Variables	Employee Engagement	Organizational Sustainability
Employee Engagement	1.000	0.618
Organizational Sustainability	0.618	1.000

Correlation significant at the 0.01 level.

Interpretation:
The illustrative correlation coefficient of 0.618 indicates a moderately strong positive relationship between employee engagement and organizational sustainability. Higher engagement is associated with better perceived organizational sustainability.
Decision: Reject H04.

Table 7: One-Way ANOVA for Consumer Perception Across Usage Groups

Source of Variation	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	5.842	3	1.947	4.86	0.003
Within Groups	78.528	196	0.401		
Total	84.370	199			

Interpretation
The illustrative ANOVA result shows an F-value of 4.86 with a significance value of 0.003. Since $p < 0.05$, there is a statistically significant difference in consumer perception across different usage-frequency groups.
Decision: Reject H05.
The result suggests that consumers who use delivery services at different frequencies do not evaluate the services in exactly the same way.

Findings of the Study
1. Convenience receives the highest mean score among the consumer perception dimensions.
2. Delivery speed is another important factor influencing consumer perception.
3. Price receives a comparatively lower mean score, suggesting consumer sensitivity to delivery charges and product prices.
4. The illustrative Chi-Square analysis does not establish a significant association between age and customer loyalty.
5. The illustrative Chi-Square analysis does not establish a significant association between age and employee engagement.
6. Consumer perception shows a strong positive relationship with customer loyalty.
7. Employee engagement shows a positive relationship with organizational sustainability.
8. Consumer perception differs significantly across delivery-service usage groups.
9. Technology and application usability remain important components of the consumer experience.
10. Sustainable delivery operations require attention to both customer experience and worker welfare.

Discussion
The findings underscore the significance of seeing gig-based delivery services as a composite service ecosystem. Consumers use the platform thru mobile apps but their experience is ultimately defined by a combination of technology, restaurants or vendors, delivery workers and organisational policies.
The high illustration score for convenience is consistent with prior research on internet meal delivery. In 2018 Kapoor and Vij highlighted the significance of application characteristics in affecting consumer's buying decisions. (IDEAS/RePEc) Chennai-based research also find that convenience, safety, delivery speed and platform qualities are crucial in consumer preference. journalofphilanthropyandmarketing.org
The favourable association between consumer perception and customer loyalty implies that platforms should focus on the entire service experience rather than depending on promotional discounts alone. A customer is more likely to continue using the platform if a delivery is reliable, the order is right, it is easy to navigate throughout the app and the pricing is straightforward.

Suggestions

1. Improve delivery-time accuracy instead of focusing exclusively on reducing delivery time.
2. Provide transparent information about delivery charges, cancellation charges and promotional conditions.
3. Strengthen customer grievance mechanisms.
4. Introduce regular feedback systems for delivery workers.
5. Provide meaningful recognition for consistent worker performance.
6. Develop fair and transparent incentive structures.
7. Improve accident insurance and social protection arrangements.
8. Provide training in road safety, customer interaction and application usage.
9. Increase the use of electric vehicles and route optimization.
10. Reduce unnecessary packaging and encourage environmentally responsible delivery practices.

Conclusion

Gig-based delivery services have become a significant component of digital consumption in cities. The expansion of food, grocery, courier and e-commerce delivery systems has altered consumer expectations and opened up new job opportunities. Chennai being a major urban market, gives a perfect backdrop to study these trends.

Three important criteria have been taken into consideration in this study i.e. consumer perception, employee engagement and organisational sustainability. Service quality, delivery speed, cost, convenience, technology and trust are the factors that affect the perception of the consumer. For the illustrated study, convenience and delivery speed are especially important among these factors. The positive relationship between consumer perception and customer loyalty shows the importance of service experience in client retention.

The report also emphasises the value of employee involvement. Gig delivery labour has a distinct work environment that is technologically mediated in task distribution, communication, and evaluations and rewards. Flexibility is a major plus, but unpredictability of income, work pressure, occupational hazards and lack of social protection are also major disadvantages. The present study on gig workers in India suggests that these problems be taken into account while evaluating the long-term growth of platform labour. (International Labour Organization)

Limitations of the Study

1. The study is geographically restricted to Chennai City.
2. Convenience sampling may limit the generalizability of the findings.
3. Consumer responses may be influenced by recent service experiences.
4. Gig workers may be reluctant to disclose information concerning earnings, working conditions and platform management.
5. The statistical results presented in this draft are illustrative and must be replaced with actual survey results.

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