



# Happy meals, happy riders?

*Working conditions of app-mediated food delivery workers in Austria*

**Nicolas Prinz and Leonard Geyer**

## Key findings

- ▶ The study provides new insights into the rapidly growing platform mediated food delivery sector from an original online survey among food delivery workers in Austria.
- ▶ More than 75% of the food delivery workers in Austria enjoy their work as a rider, but significantly less are satisfied with their working conditions (45%) and pay (39%).
- ▶ Nearly half of all riders experience verbal abuse and humiliating behaviour.
- ▶ Less than 30% of riders aware of their performance being assessed perceive the rating system used as unfair.
- ▶ Although there are strong differences by citizenship in terms of working hours and job dependency, attitudes to working conditions and pay are almost identical.
- ▶ Further research is needed to verify whether algorithmic management practices of Austrian food delivery platforms are non-transparent.

## Introduction

Platform mediated food delivery services have boomed in recent years, not the least because of the closure of restaurants during the COVID-19 pandemic [1-2]. In Austria, over 4,600 food delivery workers are employed at the two largest delivery platforms, Lieferando and Mjam. The rapid growth of platform work poses major challenges for policymakers and society. Several studies suggest that many platform workers suffer from irregular employment, poor working conditions and low pay [3-4]. In addition, the use of "algorithmic management", i.e. automated decision-making processes that are often not comprehensible to those affected and which often cannot be appealed, has been criticised [5].

Against this background, we conducted a study on the working conditions of app-mediated food delivery workers (riders) in Austria [6] financed by the "Digitalisierungsfonds Arbeit 4.0" of the Chamber of Labour Vienna.

## Research question

This research note presents key findings from the study and aims to answer the following research question: What are important differences and similarities in the perception of working conditions of food delivery workers with different citizenship, gender and employment status?

## Data collection and sample

Our analysis relies on data from an original non-probabilistic survey conducted from August 2021 until January 2022. The survey was distributed in cooperation with the Austrian trade unions and 303 complete responses were received. While trade union members appear to be overrepresented among the respondents, the sample is representative in terms of age, gender, and citizenship.

## Results

### Demographics and employment

Our sample shows that around one third of food delivery workers have EU, non-EU and Austrian citizenship respectively. The majority (85%) of riders are male and are rather young with an average age of 30.

Food delivery workers in Austria are mostly hired as regular employees (33%) or freelancers - *Freie Dienstnehmer* (59%). The type of contract determines riders' pay and working times.

While employed food delivery workers are covered by the collective agreement with a fixed hourly wage (€9.21 + kilometre allowance) and limited maximum working hours, freelancers are paid per delivery and have no fixed number of working hours. Thus, freelancers face a higher level of financial risk, but at the same time have more autonomy and the possibility to earn more than employees by working longer hours.

### Working hours and job dependency

We find that over 60% of food delivery workers work more than 20 hours a week on average. Furthermore, a majority of riders rely on the income from their work as a food delivery worker to pay their bills. Around one fourth of the riders is supporting other family members with their income as food delivery worker.

Comparing the results by different subgroups of food delivery workers, we find significant differences in the working hours and job dependency of workers with Austrian, other EU and non-EU citizenship.

As shown in Figure 1, non-EU nationals work longer hours per week than EU or Austrian nationals. While most food delivery workers, who work up to 11 hours and between 11 and 20 hours, are Austrians, non-EU citizens account for the largest share of riders, who work more than 30 hours per week.

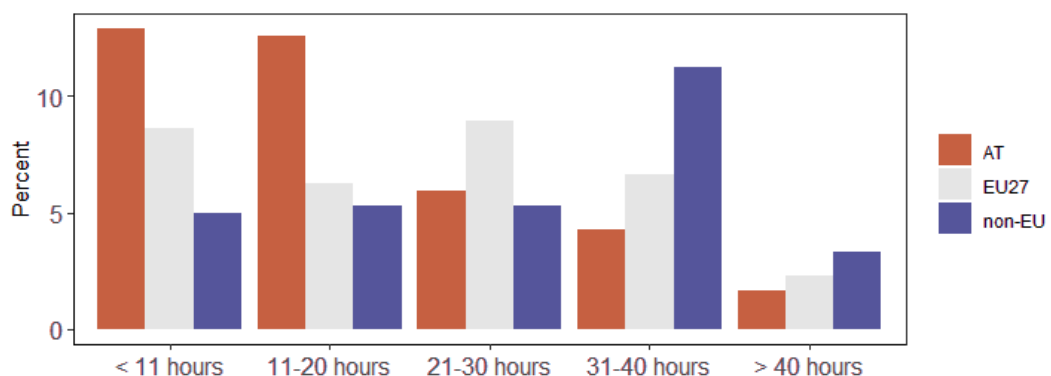
Non-EU nationals also appear to be much more dependent on their job as rider. 65% of food delivery workers with Austrian citizenship indicate that they could easily find another job, while only 31% of non-EU food delivery workers agree to this statement. Furthermore, more than half of non-EU nationals support other family members with their income as food delivery worker, while only 20% of Austrian riders do so.

### Satisfaction at work

The results presented in Figure 2 show that most riders enjoy their job. However, less than half of riders in Austria are satisfied with their working conditions. 44% of the respondents fully or partly agree with the statement, "I am satisfied with my working conditions". Satisfaction with pay is even lower where a total of 38% are satisfied.

Employees and freelancers have nearly equal levels of work enjoyment and satisfaction with working conditions. However, more employees (54%) are unsatisfied with their pay than freelancers (37%). Most interestingly, although non-EU riders are more dependent on their income and work significantly longer hours than Austrian or other EU riders, food delivery workers with different citizenships share similar views towards satisfaction with working conditions and pay (Figure 2). Solely, enjoyment at work differs by nationality, with 85% of Austrians

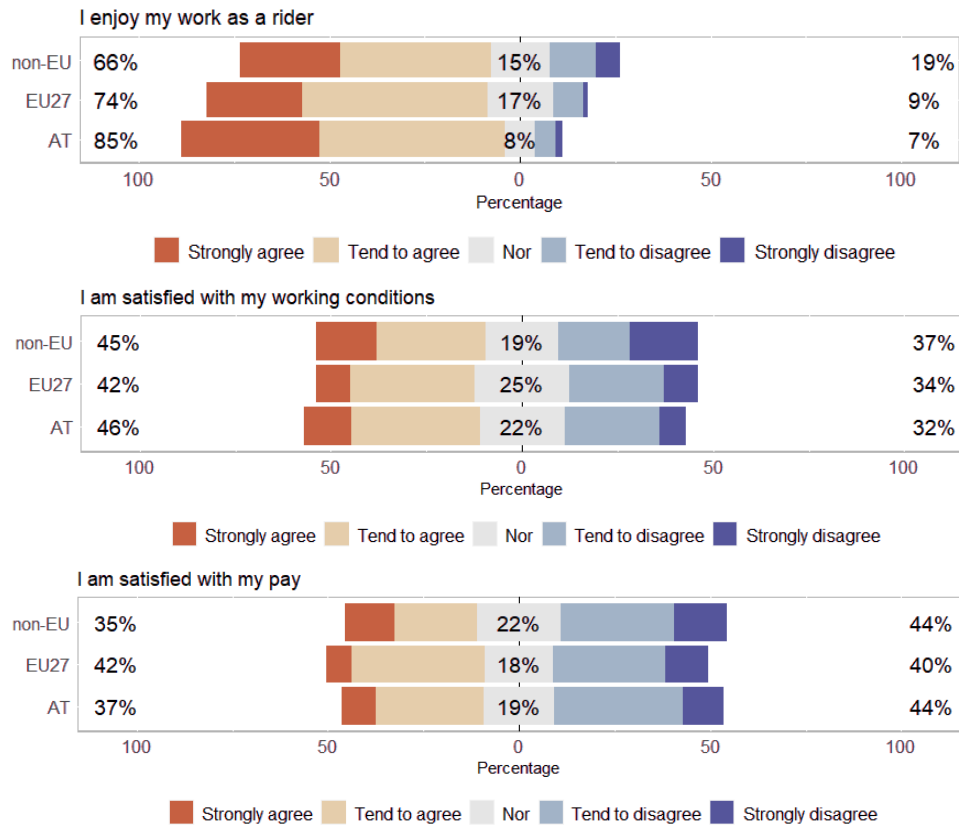
Figure 1: Weekly working hours by citizenship



enjoying their work as a rider in comparison to 67% of their non-EU peers.

differences between riders with Austrian and non-Austrian citizenship or riders with different employment status.

**Figure 2: Satisfaction at work by citizenship**



### Harassment and dangerous situations at work

Although most riders enjoy their work, many have been exposed to various forms of dangerous and/or degrading situations. More than 80% of riders faced at least one dangerous situation on the road in the past months and around half reported humiliating behaviour and insults (see Figure 3).

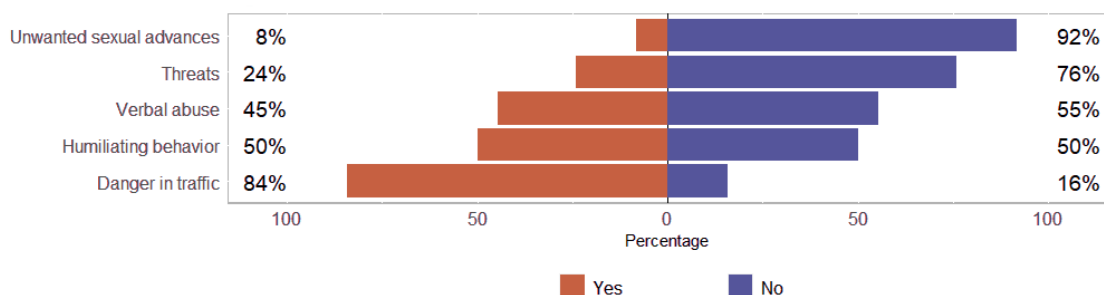
Female food delivery workers are particularly likely to report insults (58%) and unwanted sexual advances (35%). In contrast, regarding harassment and dangerous work situations we find no significant

### Algorithmic management

As stated earlier, algorithmic management raises concerns of information asymmetries between the platform and the workers [7], because the latter may be subject to decisions they do not understand. To assess whether this is indeed a problem in the analysed industry, we asked riders whether their performance is assessed and, if so, how they perceive the assessment.

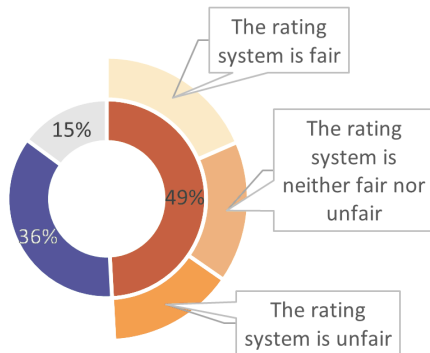
We find that about half of the respondents (49.2%) report to be evaluated by the company they

**Figure 3: Harassment and dangerous situations at work**



work for, while 14.9% say their performance is not evaluated. The remaining large proportion of riders (36%) do not know whether their work is evaluated by the company. Of those who say their performance is evaluated, around one-third of the food delivery workers perceive the rating system as unfair.

**Figure 4: Algorithmic management**



The evaluation process is perceived differently among freelancers and employees. Freelancers more frequently feel to be evaluated than employees, but do not differ in their views of the assessment's fairness.

Results by nationality display that the evaluation system could be even less transparent for non-EU citizens. While 30% of food delivery workers with Austrian nationality do not know whether they are evaluated, the percentage rises to 44% among non-EU nationals.

Despite the large share of food delivery workers unaware of their performance being assessed, further research is needed to verify whether these results indeed point to a serious lack of transparency of the algorithmic management practices of Austrian food delivery platforms.

## Conclusions

Our findings provide new insights into the working conditions of app-mediated food delivery drivers in Austria, a rapidly growing sector of the economy. The survey results show that while most riders enjoy their work, there is room for improvement regarding pay and working conditions. Most importantly, we find that a large share of food delivery workers is exposed to various forms of harassment and/or dangerous situations which warrants actions. The

results on algorithmic management, in contrast, show a mixed picture. While only 30% of riders aware of being evaluated perceive the evaluation system as unfair, over one third does not know whether their performance is being evaluated, which raises concerns of a lack of transparency. Non-transparent evaluation practices are highly questionable, as monitoring of food delivery workers in Austria likely affects the wages of riders and employment prospects at the company.

Our results also show that food delivery riders are a heterogeneous group regarding inter alia employment contracts and citizenship, but the subjective job quality is similar across groups. In this regard, two findings stand out.

First, food delivery workers working as freelancers assume higher financial risks than employees, because they are paid by delivery, not per hour. Interestingly, however, riders in both employment types have almost identical views regarding enjoyment and satisfaction with working conditions.

Second, non-EU riders work on average more hours per week than Austrians or EU citizens, they are more likely to provide financial support to family members and less likely to easily find a different job. However, we find equal perceptions regarding satisfaction with pay and working conditions among Austrian, EU and non-EU food delivery workers.

These findings suggest that the app-mediated food delivery sector provides employment opportunities for individuals with different needs, which may be one reason why the sector attracts a diverse workforce.



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<https://www.euro.centre.org/projects/detail/4089>

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